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U.S.News & WORLD REPORT

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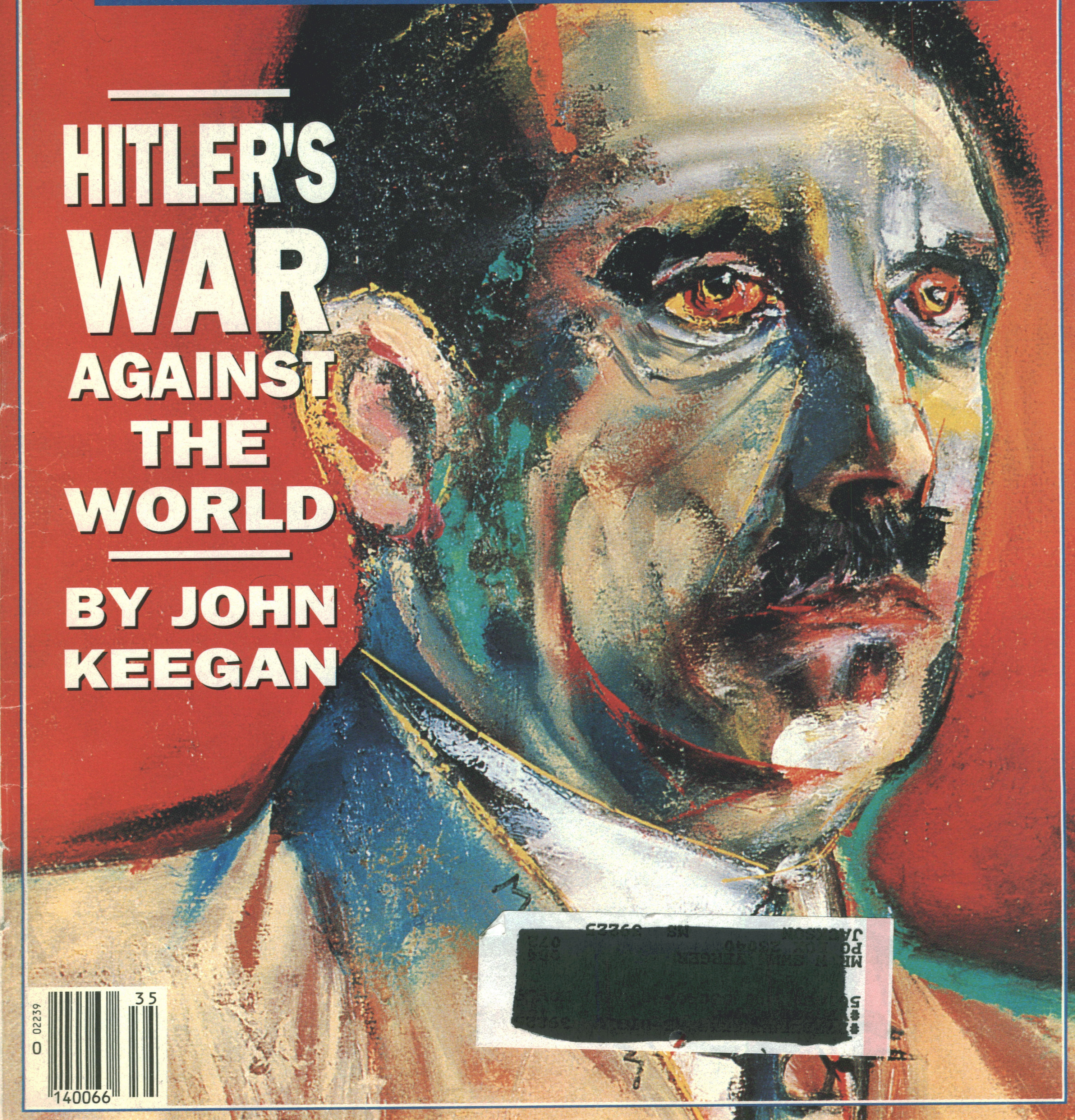

HITLER'S WAR AGAINST THE WORLD

BY JOHN KEEGAN

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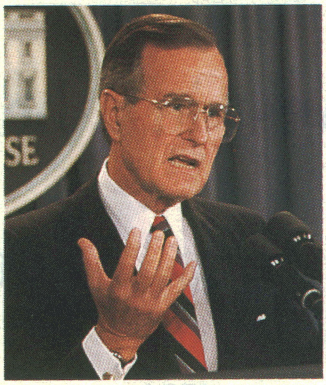

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COVER: Illustration by Marshall Arisman

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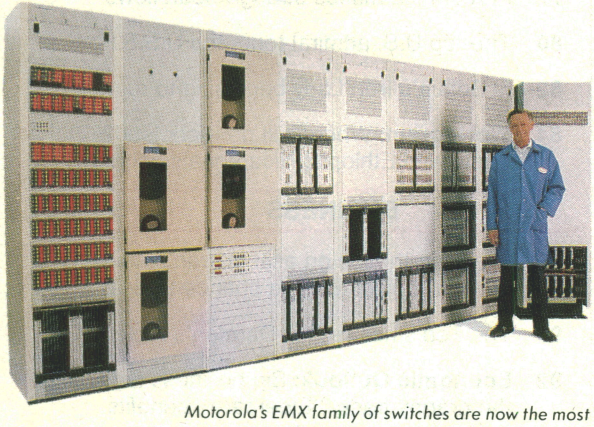

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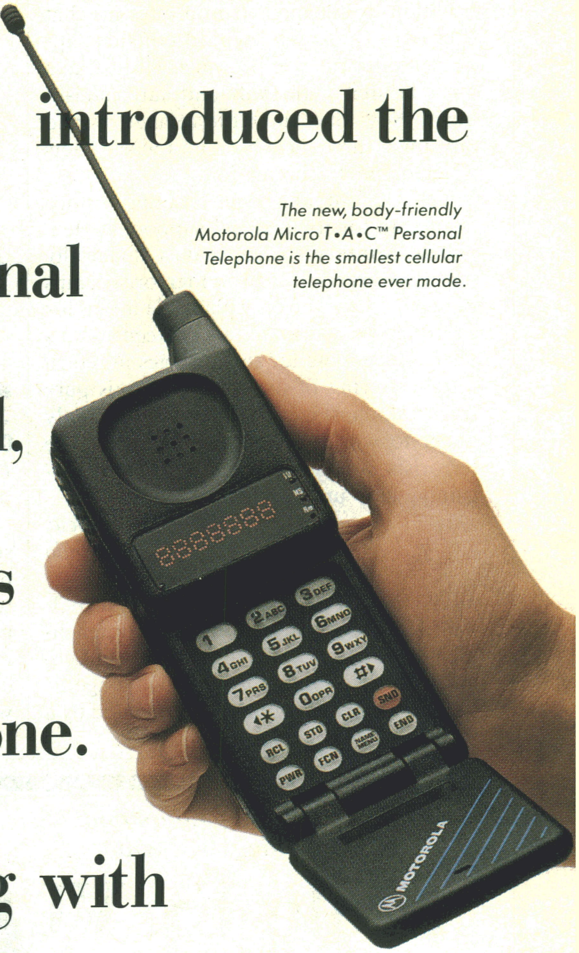

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LETTERS
TO THE EDITOR

Hostage crisis: "Talk Firmly and Send the Ships" [August 14] intensified an already searing anger I feel regarding the hostage situation in Lebanon. It infuriates me that there are those who would consider appeasement and compromise. Unjust acts must be met with swift and sure punishment. Note that since the retaliatory raid on Libya, there have been no reported acts of terrorism by that nation.

The U.S. should begin exacting a price from Iran for its financial support of Hezbollah. Military strikes against financially sensitive targets in Iran and terrorist camps in Lebanon are the only plausible means for shutting down Iran and its protégés. Iran's offer to negotiate for the hostages in return for the freeing of its frozen assets is pure trash. The hostages are the terrorists' only ticket to worldwide media exposure. The terrorists will not give up their only bargaining chip until forced to.

Robert F. Lesieur
Orlando

Colonel Higgins. *What price should the U.S. exact for terrorism in the Mideast?*

■ The murder of U.S. Marine Lt. Col. William Higgins by Iranian-influenced henchmen illustrates how far the situation in Lebanon has deteriorated. How much longer is U.S. foreign policy going to be dictated by a small group of irrational terrorists whose perversity includes videotaping their tortured victims? By criticizing the Israeli commando action against the Moslem clergyman, we are strengthening the bloody hands of men who desire to practice their wicked works in the streets of Jerusalem and Tel Aviv. Indeed, Israel is one of the few nations to take a stand against international terrorism past mere rhetoric. It is time the State Department learn the definition of terrorism and apply the necessary pressures to teach these murderers that while they may take and hold individuals, they shall not hold our nation or its government hostage.

Edward J. Reiter
Escondido, Calif.

■ Once again the Hezbollah has played its game of threats and terror and we have played along. Are we having fun yet? This is absurd. We are the ones who should be delivering the ultimatums. It is not a matter of revenge or anger; it is a matter of freedom and justice. There is no freedom in fear and no justice in allowing kidnapping, torture and the blackmailing of our nation. I know that it is a complicated and sensitive matter, and great risks and consequences are involved. Which risks and consequences are greater, though? We presently risk the unabated and continued plundering of our nation by murderers because we are not willing to put action behind the principles for which we say we stand.

Kelly J. Moore
Beaver Falls, Pa.

■ I knew President Truman all my mature life and know how he would respond to this hostage problem. He would phone the President of Iran, the responsible party, and the President of Syria, who is the conspirator with Iran, and tell each of them, "You deliver every American you are holding to my ambassador unharmed within 48 hours or I will unleash air and sea power that will devastate every major installation each of you has." He would back up the ultimatum with action as sure as the coming sunrise. No civilians would be killed or injured and the world would look upon us with respect and not consider us wimps. The hostages would be home in one week.

R. P. Weatherford, Jr.
Phoenix

■ As an American living in Israel, I was pleased that there is some support in America for Israel's capture of Sheik Obeid, the Hezbollah terrorist leader ["To Honor the Colonel's Memory," Editorial Page, August 14]. To say that most Israelis, Americans and other Europeans were disappointed by the initially weak and meager response of President Bush and Secretary of State Baker would be a mild understatement. Additionally, the remarks by Senator Dole, formerly considered a friend of the Jewish state, were outrageous, misinformed and harmful to the cause of fighting terrorism.

There is a strong national resolve on the part of Israelis. Seldom have I seen, particu-

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larly since the start of the *intifada,* such a broad consensus of support for the Israel Defense Force and the government. For those sitting 8,000 miles away in America, terrorism is something that they hear about or watch on television. For those who live here, it is a way of life. Thus, it is important to realize that Israel will not bow to international pressure or give in to terrorists. Israel's primary responsibility is to its own citizens, and in that regard the capture of the sheik was both proper and justified.

Steven Malech
Jerusalem

■ The observation in the editorial that we are a nation of hand wringers was right on target. The political residue of the Vietnam War only works to keep this nation immobilized by a handful of thugs whose only media are the press and TV. Isolationism has, unfortunately, taken a firm hold in America as it turns inward to grapple with social issues and leveraged buyouts and ignores its duty as the planetary cop. We may too late realize that our lack of true leadership in dealing with these cutthroats will only encourage them and others to even more heinous acts of cowardice and barbarism.

T. W. Hamberg
Travelers Rest, S.C.

■ Your sword-brandishing and flag-waving editorial does little to honor Colonel Higgins. His role was United Nations peacekeeper, not U.S. warrior. Higgins and other Americans are targets because the U.S. is the chief financier and apologist for Israel. Reagan's military strikes against terrorism have not stopped terrorism. Why does the editor advocate more? Nothing but the peaceful settlement of conflicts in the Middle East will control terrorism, and that will come only when Israel agrees to talk peace with its enemies.

Mac Fleming, Professor Emeritus
Indiana University, Bloomington

■ The President certainly should have expressed outrage at the Israeli commando kidnapping of the Moslem religious leader. The Israeli Army and commando units are terrorists just as the Iranians, Syrians and other hostage takers are.

P. C. Manning
Calabash, N.C.

■ I am rarely disappointed with your magazine. However, I was outraged at the full-page, full-color photograph of Colonel Higgins dangling from a madman's noose. I was shocked that you would allow such a tasteless photograph to be published in the same issue as an editorial titled "To Honor the Colonel's Memory." It is very disturbing to think that in today's world of media sensa-

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If you want more than that, keep reading.

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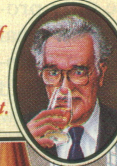
THE TRUE TASTE OF SCOTCH.

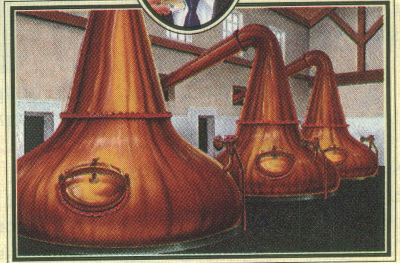
A FEW WORDS ABOUT BLENDING FOR THE SCOTCH CONNOISSEUR.

Even when it comes to their favorite dram, it is rare to find Scotch drinkers familiar with the art of blending. Since we blend a fair amount of Scotch, we've taken it upon ourselves to clear up the confusion.



Mr. J. Goudy, master blender. The exact recipe of Ballantine's is a closely guarded secret.

At this point, consider pouring yourself a glass of Ballantine's Finest and settling into your favorite chair. Not only will you be more comfortable, it will also increase your appreciation of what you are about to read. If you like ice with your Scotch, let it melt a bit.



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tionalism, the way we honor a fallen hero is to show him in morbid defeat. I hope that in the future you will leave this type of journalism to the tabloids.

John F. Kane, Jr.
Elgin, S.C.

HUD plight: Unfortunately, David Gergen has not learned "The Lessons of the HUD Scandal" [Editorial Page, August 7]. The real question that should be asked is why government is in the housing business at all. All public spending programs are politicized by their very nature. It is for that reason that government should undertake only programs that it alone can do, such as national defense. If the electorate decides that "helping the poor" is a worthy objective, it should be done via direct income transfers, not new programs that always do more to enrich the special interests than they do the "poor."

James V. Pollock
Kirkland, Wash.

Reagan legacy: Why blame Ronald Reagan for the mess inherited by George Bush ["Bush's Shovel Brigade," August 7]? The *only* things that went from bad to worse during Reagan's reign were the budget deficit, crime, drugs, education, environmental pollution, health-care costs, homelessness, the national debt, political corruption, poverty, prison shortages, the trade deficit and VA hospital care.

Donald Wieta
Cocoa, Fla.

■ Your excellent article partially depicting the horrendous mess left by "the great communicator" should convince those poor, misguided loyalists that rather than place Reagan's likeness on Mount Rushmore, it would be more suitable to have any memorial to him in Disneyland, since he lived in a world of fantasy. It seems the only program that he deemed worthy of his full attention was the transportation to and from Camp David and California. Your cartoon selection was most appropriate. What a circus.

Thomas Patrick Finley
Tucson

■ You stated that the S&L crisis is a Reagan "mess." Let's not forget Jim Wright's "undue influence" in lobbying for Texas S&L's in 1985. Nor should we forget men like Alan Cranston and Fernand St Germain, who repeatedly intervened on behalf of their states' dying S&L's. On the HUD scandal, one should realize that the Department of Housing and Urban Development is structured more like a federal pork-barrel program than government aid. Your own David Gergen pointed out that HUD mishandling of funds began with the Carter, not the Reagan, administration. President Reagan should have fulfilled his promise as candidate and dismantled this bureaucracy. In matters of defense, there were many weapons that were inappropriately funded. But ask any member of the armed services about his confidence in our military and he'll tell you that it's better than 10 years ago. Finally, your complaints about the number of empty federal judgeships should be directed not at the Reagan administration but at the Senate, which is controlled by the Democrats.

Alfred Chang
Atlanta

SUSAN STEINKAMP FOR *USN&WR*

The Reagan legacy. *President Bush has to confront problems left by his predecessor*

Security breach? I can't believe you would print such a detailed article about when, why, where and how our government will operate in the event of a nuclear attack ["America's Doomsday Project," August 7]. You state, "It is one of America's deepest official secrets." Indeed. When are you planning the guided tours?

C. J. Martin
Las Vegas

■ Your cover treatment of this otherwise well-researched article smacks of sensationalism designed to stir people up and sell magazines. "Continuity of government" is more or less common knowledge, and has been around for years. It is hardly one of the government's "deepest official secrets." It is practiced by planners from the local level on up to assure survival of the elected government and its ability to respond to all types of disaster, both natural and man-made. Like all things done by government, there are flaws, which you have amply shown, and these deserve attention. However, you have done the public a disservice with your "doomsday" packaging of an otherwise important issue.

Brian Miller
Jackson, Mo.

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Treating athletes: I was surprised to learn in "When to See a Sports Doc" [July 31] that "most medical experts" recommend seeing a sports specialist instead of a family physician for a sports-related injury. Today's well-trained family practitioner has experience with sports-related injuries. Family physicians are the appropriate doctors to see first, since so many injuries will not require the highly specialized care offered by legitimate experts.

Robert A. Fried, M.D.
Associate Professor, University of Colorado
Health Sciences Center, Denver

■ In my opinion, your article contains many erroneous concepts and some dangerous advice. I would agree that a minor ankle sprain can usually be self-treated. However, ankle sprains may vary from minor to severe, and any ankle sprain other than minor deserves more aggressive treatment than benign neglect. I have seen numerous patients who have suffered permanent disability because they delayed treatment, thinking—or being told by some practitioner—that they had "just a sprain." Although stress fractures may not require active treatment, they certainly require medical attention. Moreover, I would defy anyone to make an accurate diagnosis of stress fracture without an X-ray. The idea that if you can move it, use it and/or walk on it, it ain't broken, is fallacious.

Donald M. Baldwin, M.D.
Tulsa

Revised Rx: "Conquering Prostate Cancer" [July 10] has some information in disorder. Current indications and usage are for a monthly injection of the protein leuprolide in the muscle and flutamide taken orally several times daily for Stage D prostatic cancer, not the reverse. The leuprolide-acetate shot is also more expensive than flutamide. Also, the article gave no discussion of the estrogen option in blocking testosterone production in the body. I'm aware of this information because I have Stage D2 metastatic prostatic cancer in almost all the bones in my body.

James R. Nordstrom
Grandview, Mo.

Correction: In "Dining Out, Still Very In" [Vital Statistics, August 7] the location of the restaurants Waterfront and the Conservatory were incorrectly stated. They are in Covington, Ky.

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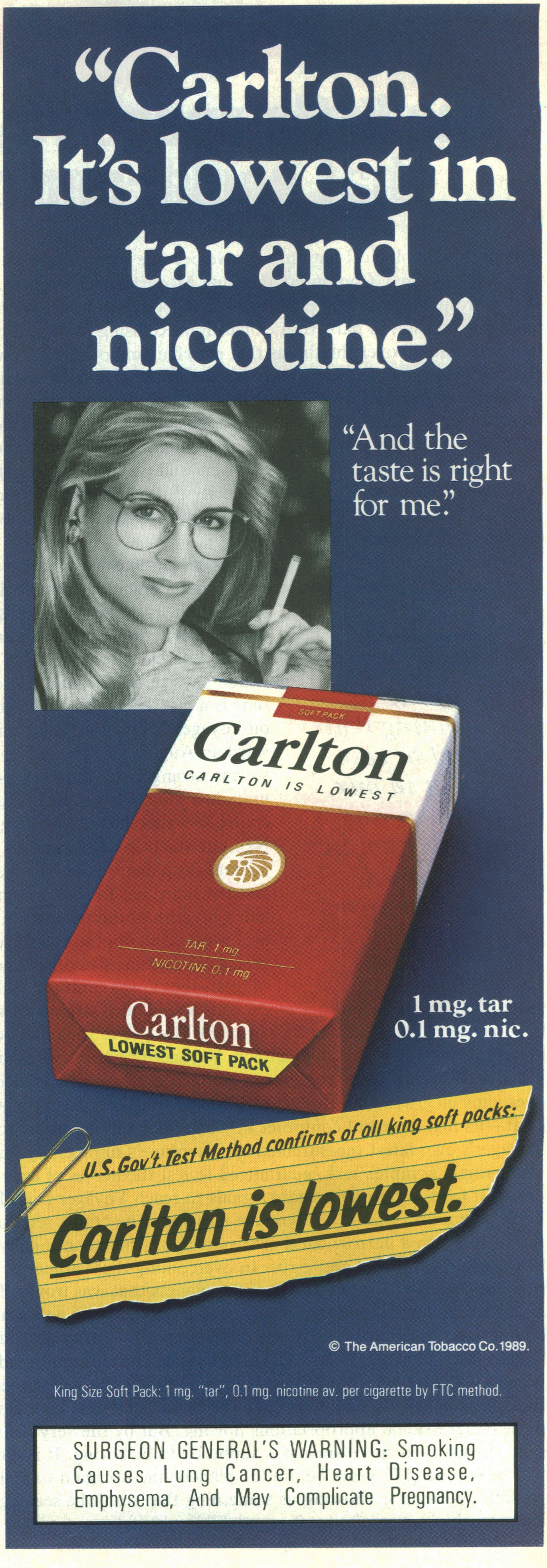

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The little space voyager that could–and did

For a technological nation, we have become surprisingly blasé about all things technological. Computers that sing Mozart arias? Ho hum. A combination word processor–food processor? Everybody's got one. We're blasé in part as defense mechanism, in part from exhaustion. Refusing to be amazed is one small way to assert control over the things that are changing our lives in ways we really can't control; being unable to be amazed is the result of a daily overdose of amazement.

The naïve sense of wonder that led 19th-century tourists to visit strip mines and factories seems hopelessly quaint by modern standards. But at least those innocents knew and understood what they were seeing, in an age when the ingenuity of machines was manifest in their gears, levers and pistons. A computer is just a box. Amazement loses some of its spontaneity if it comes with a prerequisite of six years of postgraduate study. ("Just as I thought," we can say upon receiving a Ph.D. in electrical engineering. "It *is* amazing.")

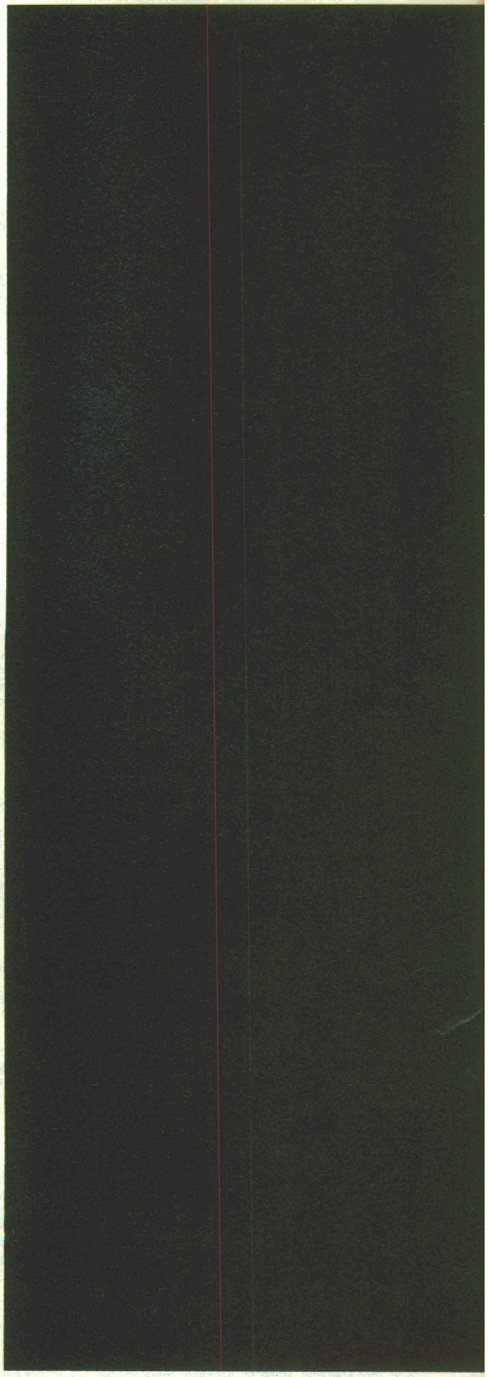
So there is a simple joy in the pictures of Neptune now arriving across 3 billion miles of space. This is discovery on terms we all understand, technological adventure that is self-evident. Planetary science is still in its infancy and retains about it that innocent sense of wonder that makes science wonderful. The pure act of observation pays riches. From a telescope on Earth, Neptune is a mysterious blue fuzzball; from the cameras on Voyager 2, now hurtling a million miles a day toward an August 24 flyby, white clouds, violent storms, strangely fractured rings and four previously unknown moons have already appeared. If ground controllers succeed in threading the craft through Neptune's debris-laden rings to within a mere 2,700 miles of the planet's pole, Voyager will take a gravity-assisted sharp left to pass within an astronomical hair's breadth of the renegade moon Triton, whose backward orbit, opposite the direction in which Neptune spins and the five other known moons orbit, suggests that it was captured by Neptune after explosively colliding with another moon eons ago. This is drama even for the jaded.

> *'Voyager is showing us something that won't be seen again in our lifetime, and probably not in our great-grandchildren's lifetime'*

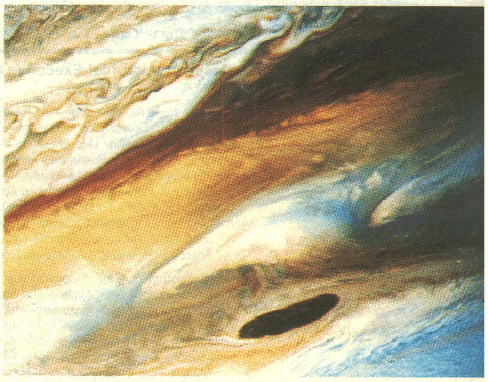
So is the 12-year journey that brought Voyager to the outer reaches of the solar system. From the moment of launch, Voyager was beset with glitches that nearly killed it. Computer malfunctions, a jammed gearbox and a failed radio all were overcome as ground controllers jury-rigged solutions. Every adjustment to the craft—its flight-control computer needs regular reprograming to take into account Voyager's own latest measurements of Neptune's imprecisely known orbit—is a staggeringly complex task, guaranteed to test the nerves of even the most sober scientist. It takes 4 hours for radio signals to reach Voyager from Earth, another 4 hours to confirm that it received the message. The craft's semifunctional radio can receive only on a narrow band of frequencies, which continually changes and has to be determined by trial and error. In overcoming these ailments, Voyager has carried out the very "Grand Tour" of the planets that was ironically canceled in 1972 as too technologically risky. Voyager started its journey as a scaled-back substitute, bound only for Saturn and Jupiter, its hardware built to last four years.

"No Buck Rogers, no bucks" is the cynical conventional wisdom that is supposed to explain why NASA needs to keep flying manned spacecraft. Only through the drama of human adventure will the public's interest be maintained to keep those congressional appropriations flowing. But by the very definition of its mission, the manned space shuttle is supposed to be boring. It is a bus ride in space. It will be another 175 years before the planets line up again to make a Grand Tour possible. Voyager is showing us something that won't be seen again in our lifetime, and probably not in our great-grandchildren's lifetime.

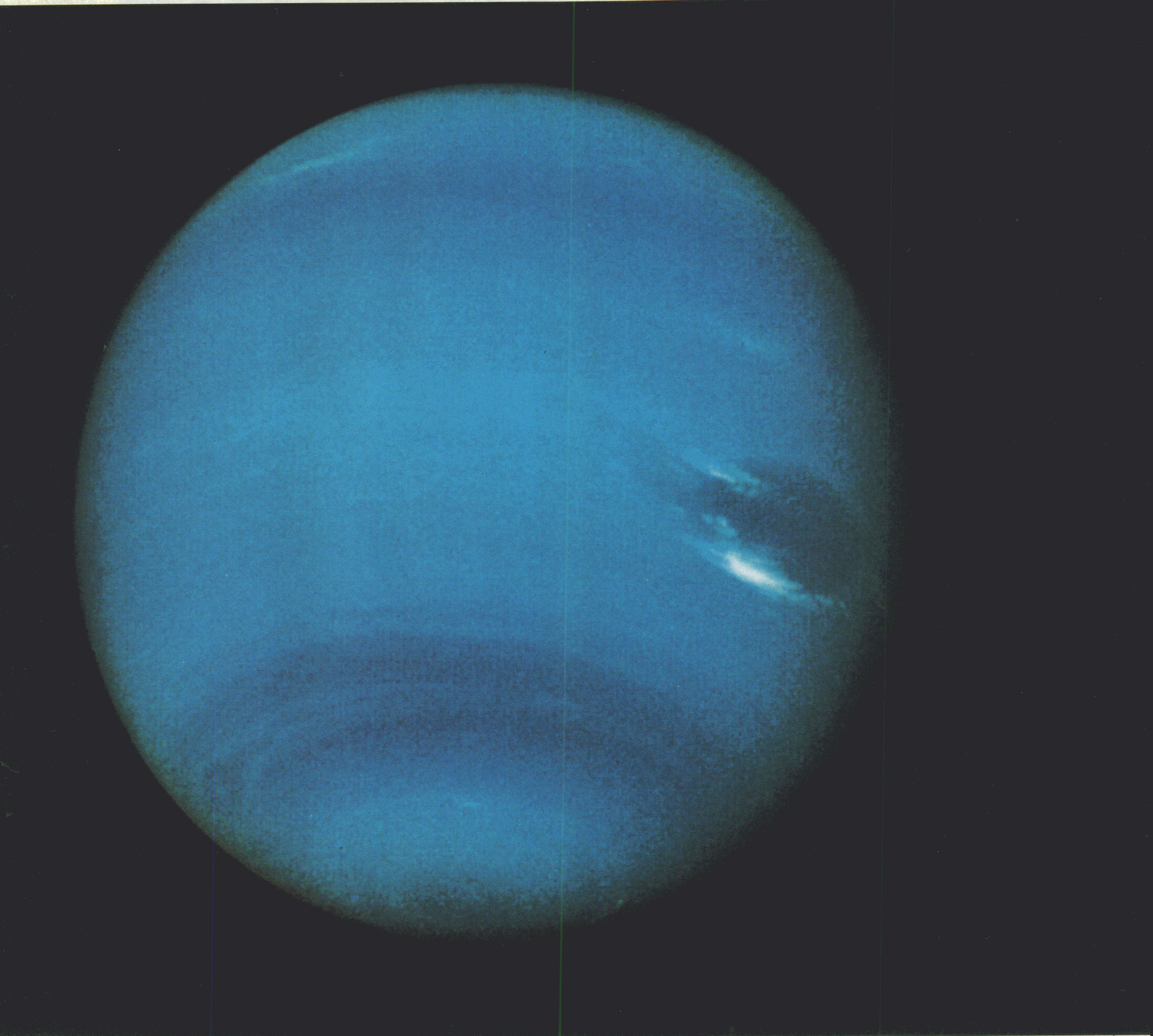
by Stephen Budiansky ■



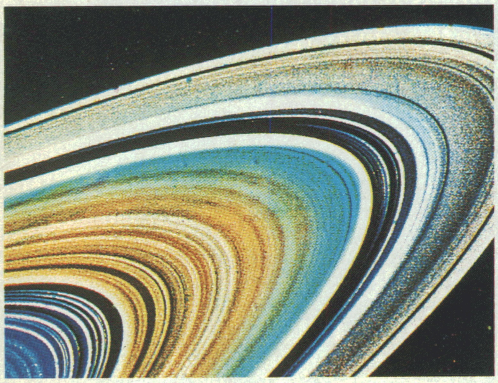
Last stop. *Neptune, as seen last week from*



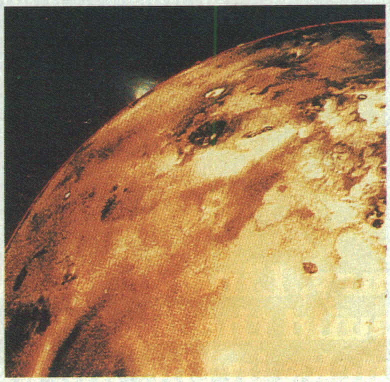
Storm. *Jupiter's turbulent atmosphere*



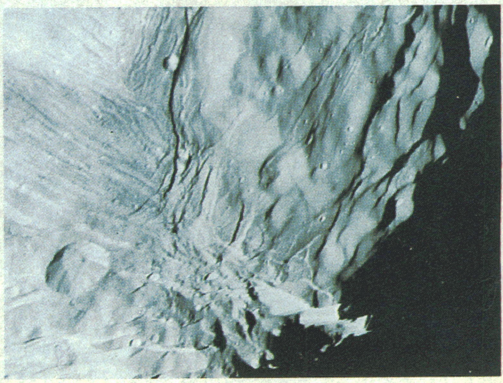
Voyager 2. The "Great Dark Spot," with white wispy clouds above it, is probably a huge storm. A smaller spot lies near the South Pole



Rings. *Saturn's trademark feature*

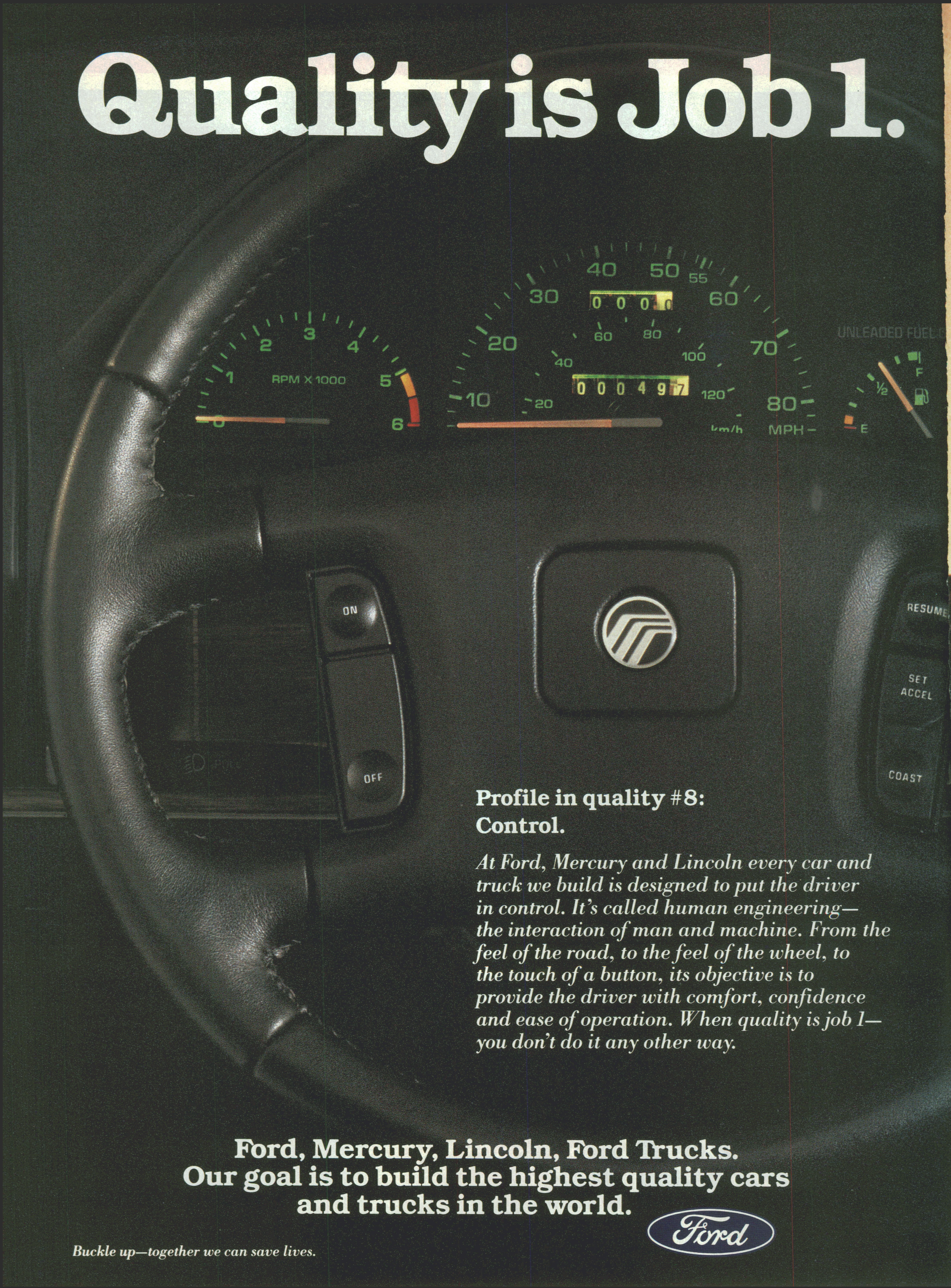


Geyser. *Eruption on Jupiter's moon Io*



Crags. *Miranda, innermost moon of Uranus*

PHOTOS BY NASA



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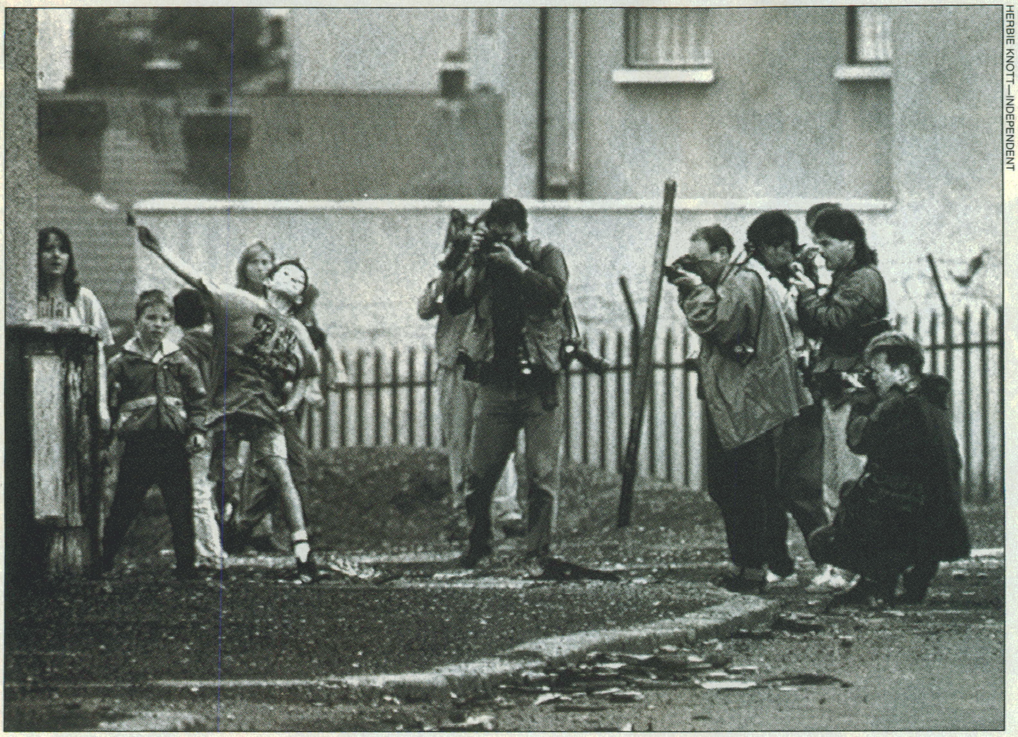


HERBIE KNOTT—INDEPENDENT

Shooters. *Anniversaries are welcome fodder for the news media, especially when they come in the news-dry days of August. A round number like 20 can consume oceans of ink and forests of pulp. But the photographic brigade that invaded Northern Ireland to record 20 years of British troops on patrol almost became the story. Those charged with keeping an Irish sort of peace protested that things were evidently too tame for some camera carriers. A French photographer was arrested for allegedly paying a street urchin to chuck rocks at the troops. Another lensman was accused of carrying his own supply of Molotov cocktails. Belfast's Lord Mayor Reg Empey sputtered, "If these people want action, they should go to Beirut and leave us alone."*

CHINA

Professors Marx and Mao are back

In the two months since their tanks squashed the student rebellion, China's hard-liners have groped for ways to crush the Western ideas that animated the protesters. Their strategy is now starting to unfold, and it is one that Mao Tse-tung could applaud: To put political orthodoxy back on the blackboard.

Students returning to school across China last week began a two-week crash course in party ideology. Classwork included watching official video versions of the "counterrevolutionary rebellion" and writing personal reflections critiquing the demonstrations. Only those who display a proper attitude will be permitted to continue their studies.

Political training will be even more rigorous at Beijing University, China's most prestigious school and the nerve center of the pro-democracy rebellion. This fall, the freshman class—whose numbers recently were cut from 2,000 to some 600—will undergo a full year of indoctrination at a military college in rural Shijiazhuang, 160 miles south of the capital. Because many of the protest leaders were humanities majors, schools will impose new tuition fees on students in social studies; those majoring in agriculture, geology and similarly safe disciplines will still receive free education.

The resurrection of political orthodoxy on campus smacks of the frenzied 1966-76 "cultural revolution." During those "Ten Lost Years," university admission depended not on good grades but on good politics. Colleges opened their gates to the children of peasants and factory workers, while the sons and daughters of landlords, merchants and other ex-capitalists were often excluded. Mao soon did away with college-entrance exams altogether.

All that changed with Mao's death. Deng Xiaoping reinstated the exams and depoliticized education after taking power in 1977. To advance economic reform, Deng stressed the need for technocrats rather than ideologues. The resulting explosion of Western ideas is now being blamed for corrupting the students who led the pro-democracy movement.

Unlike the Red Guard youths who heeded Chairman Mao's call to battle 25 years ago, students today are much less susceptible to such manipulation. A decade of reform has left few young people inclined to read aloud from the Little Red Book. Indeed, most Chinese have since learned to roll with the purges. Such was the case at a recent campus rally, in which protesting students kept soldiers at bay by mockingly chanting the official slogan: "Without the Communist Party, there would be no new China."

HENRIETTE—AFP

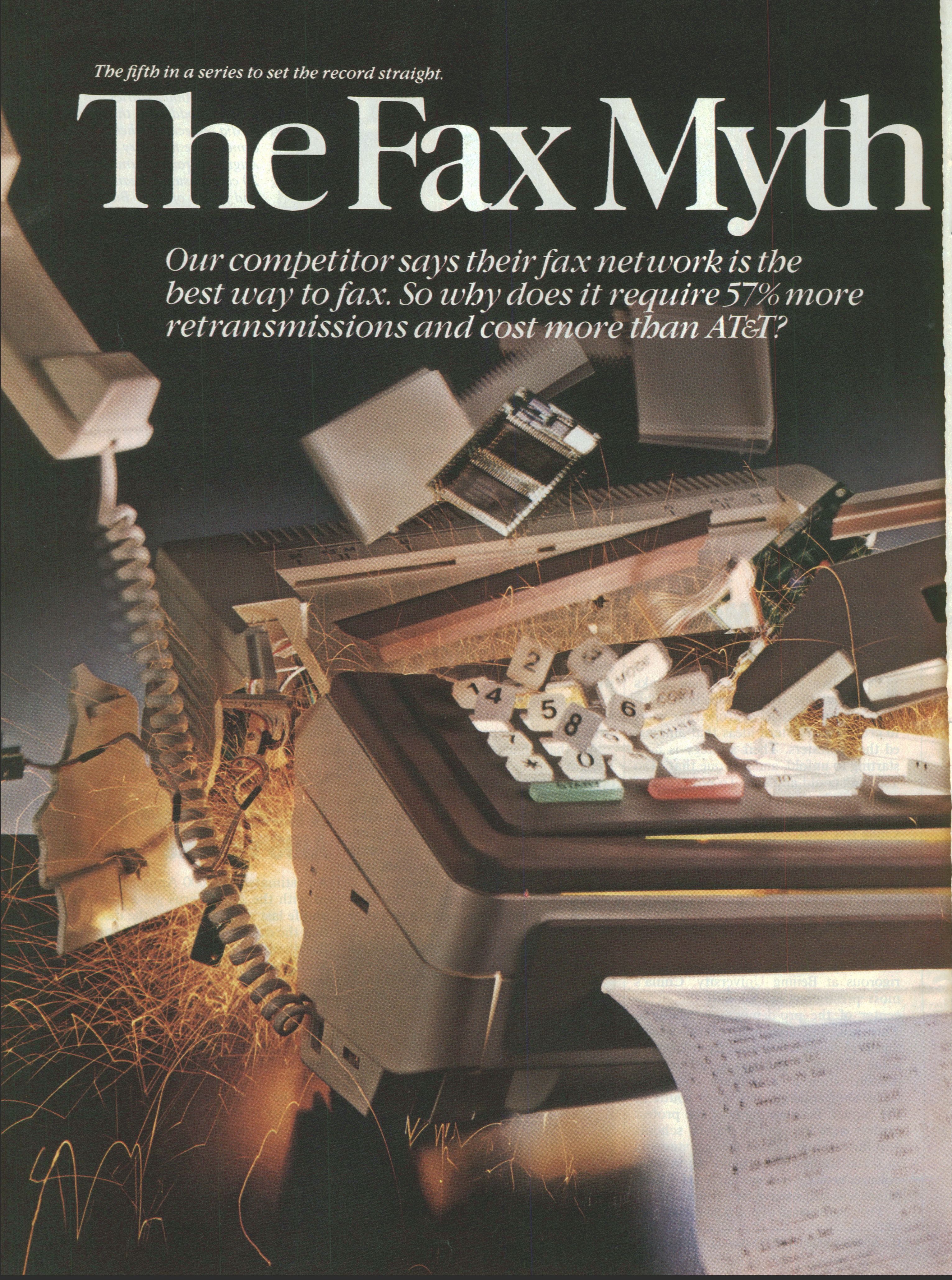
Bullhorn democrats. *Beijing last spring*

HEALTH

A new reprieve for AIDS victims

An estimated 600,000 Americans infected with the AIDS virus got a new lease on life last week, thanks to the discovery that the drug AZT can delay the onset of the disease even in people with no outward symptoms. But there's a rub: As many as two thirds of AIDS-virus carriers don't know they have it and thus will not seek the drug when it might do them the most good.

Even so, the new findings, by suggesting that AZT could benefit almost half of the 1.5 million Americans infected with the virus, are likely to add billions of dollars to the nation's health bill over the next few years. The drug is now taken by some 35,000 people, most of whom have advanced stages of the disease. That number could leap to 150,000 during the next year as more infected people are persuaded to come forth for

*The fifth in a series to set the record straight.*

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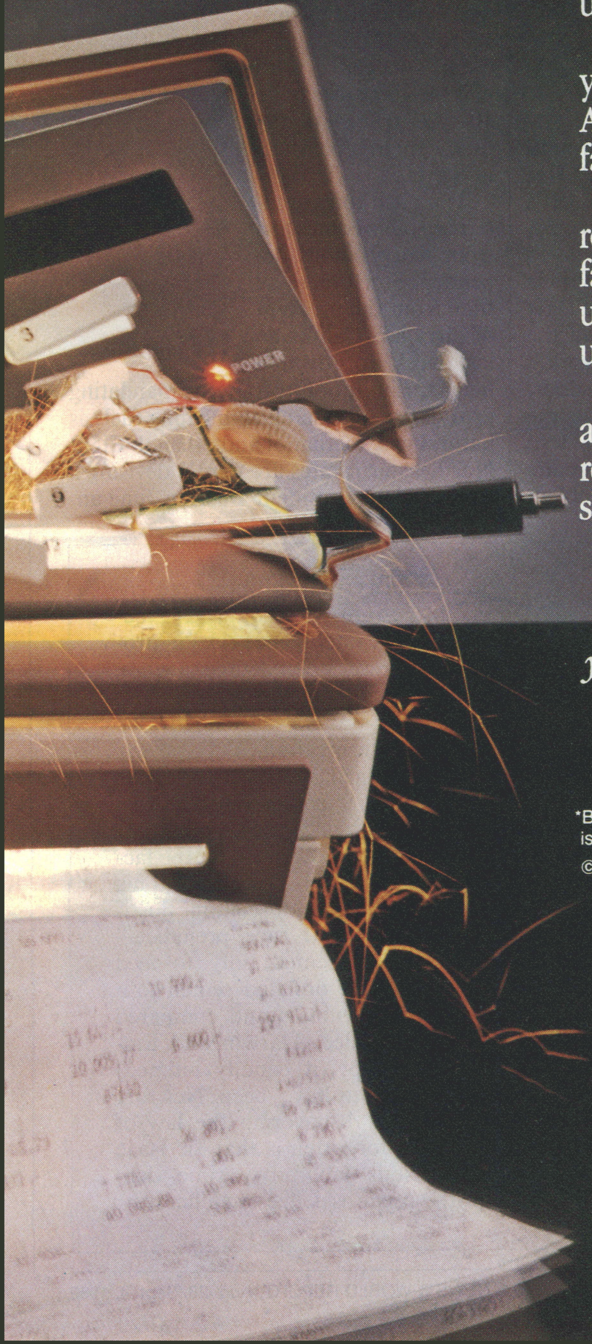
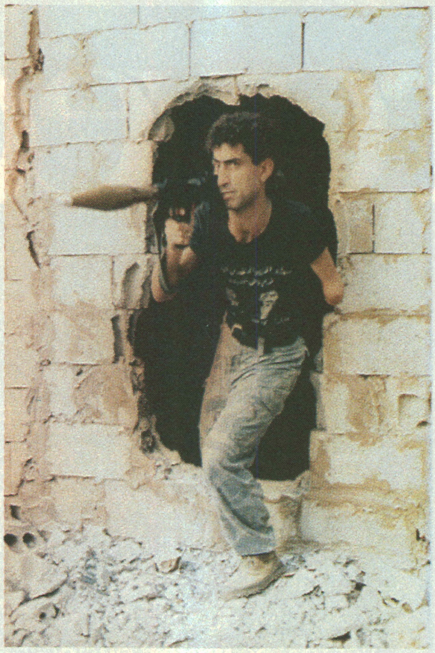


testing. But nobody is sure who will pay the $8,000-a-year tab for AZT for the thousands who could benefit but lack insurance or the means to pay.

Those in the dark about whether they are infected span the range of people at high risk for AIDS. But most are gay men, many of whom have declined to be tested for fear of job discrimination or loss of insurance and because there was no effective treatment. "People should now rethink their decisions about testing," said Jean McGuire, director of the AIDS Action Council. Indeed, leading AIDS and medical groups now urge all those at risk of contracting AIDS to get the AIDS-antibody test. The hardest to reach, both with the test and AZT, will be intravenous drug users and their sexual partners, who are at especially high risk but often shun the health-care system or lack access to it.


AHMAD AZAKAR—AP

Beirut warren. *A tough neighborhood*

LEBANON

A Beirut family's survival guide

For 96 hours last week—perhaps the worst 96 hours of Lebanon's 14-year civil war—Beirut was an inferno of mortar bombs and artillery shells. To glean insights into how people coped, and to demonstrate how they adjust to the most horrific circumstances, a reporter sat down with the Gebara family and neighbors as they chatted over a pot of Turkish coffee in Christian East Beirut.

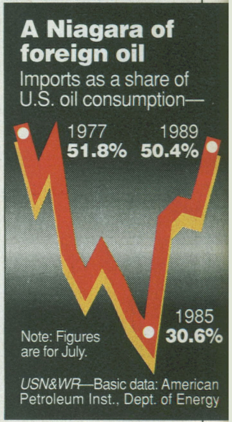
Elie Gebara, 27, remembered the thunder: "Phosphorous bombs fell all around us, but we were safe underground." Her mother, Youmna, spoke for all: "It's good to see the sun again." Boutros, 23, worried about money: "We try to go to work in the morning before the Syrians shell us. If we don't work, we don't get paid. But there's no electricity, and the generator is out of gas, so we can't work."

For Samir, an electrician next door, business was good: "Everyone wants me to rig up makeshift wiring, like TV's to car batteries. Then they beg me for repairs after it explodes." Shopping is a problem for Youmna: "There's no meat, and vegetable prices have doubled." Yet Emile, 66, the head of the Gebara household, noted that people get by somehow: "The neighbors raise chickens on the roof."

ENERGY

Bumpy road ahead for gas guzzlers

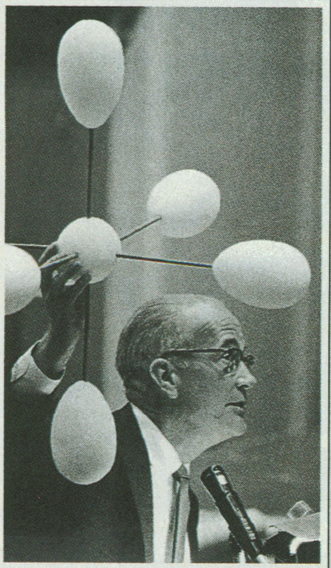
GARY VISGAITIS—USN&WR



USN&WR—Basic data: American Petroleum Inst., Dept. of Energy

For the first time since 1977, the U.S. is again getting more than half of its oil from abroad. But even as the tankers unload, efforts to wean American motorists from petroleum gain momentum. One sign: On the same day the new oil-import figures were announced last week, United Parcel Service rolled out 10 trucks powered by natural gas. If the experiment succeeds, UPS will convert more of its 104,000 trucks to the fuel, which is plentiful in the U.S.

The push toward alternate fuels comes less from worry about dependence on foreign oil than from the problem of dirty air. California last week approved a new antipollution program mandating greater use of such clean-burning fuels as natural gas, methanol and ethanol. Eight Northeastern states are jointly devising a similar plan. President Bush in June an-


STANFORD UNIVERSITY

Shock man. *Nobel Prize winner with molecule model in 1960s*

SCIENCE

Dr. Shockley and Mr. Hyde

The world gobbled the fruit of William Shockley's young mind. Portable radios, solid-state TV's, pocket calculators and personal computers all were made possible by his pathfinding work in transistors. The world awarded him the Nobel Prize in physics in 1956 and called him this century's greatest electronics pioneer. But Shockley cared little for his role in that invention. His true life's work, the obsession that sustained him up to a few days before he died August 12 at 79, made him a pariah in the scientific community.

William Shockley was a racist. With the same grit that carried him and his team of scientists past failure after failure to the transistor, he pursued a theory that the poor, especially blacks, inherit a genetic inferiority that an improved environment cannot overcome. He believed that black intelligence rises in proportion to a person's percentage of white blood. He urged that the poor, those with subpar IQ's and even diabetics be paid to accept sterilization.

For such radical notions, audiences frequently booed Shockley off the stage. Although the physics department at Stanford University kept him on the faculty, genetics professors there labeled his work "hackneyed pseudoscientific justification for class and race prejudice." The controversy seemed only to feed Shockley's ego. He donated semen to a sperm bank for geniuses and compared himself with Galileo, Darwin and Einstein. A more apt (if equally inflated) comparison might have been Newton, remembered for discovering the law of gravity. Often forgotten is that Sir Isaac wasted precious laboratory time dabbling in the pseudoscience of alchemy.

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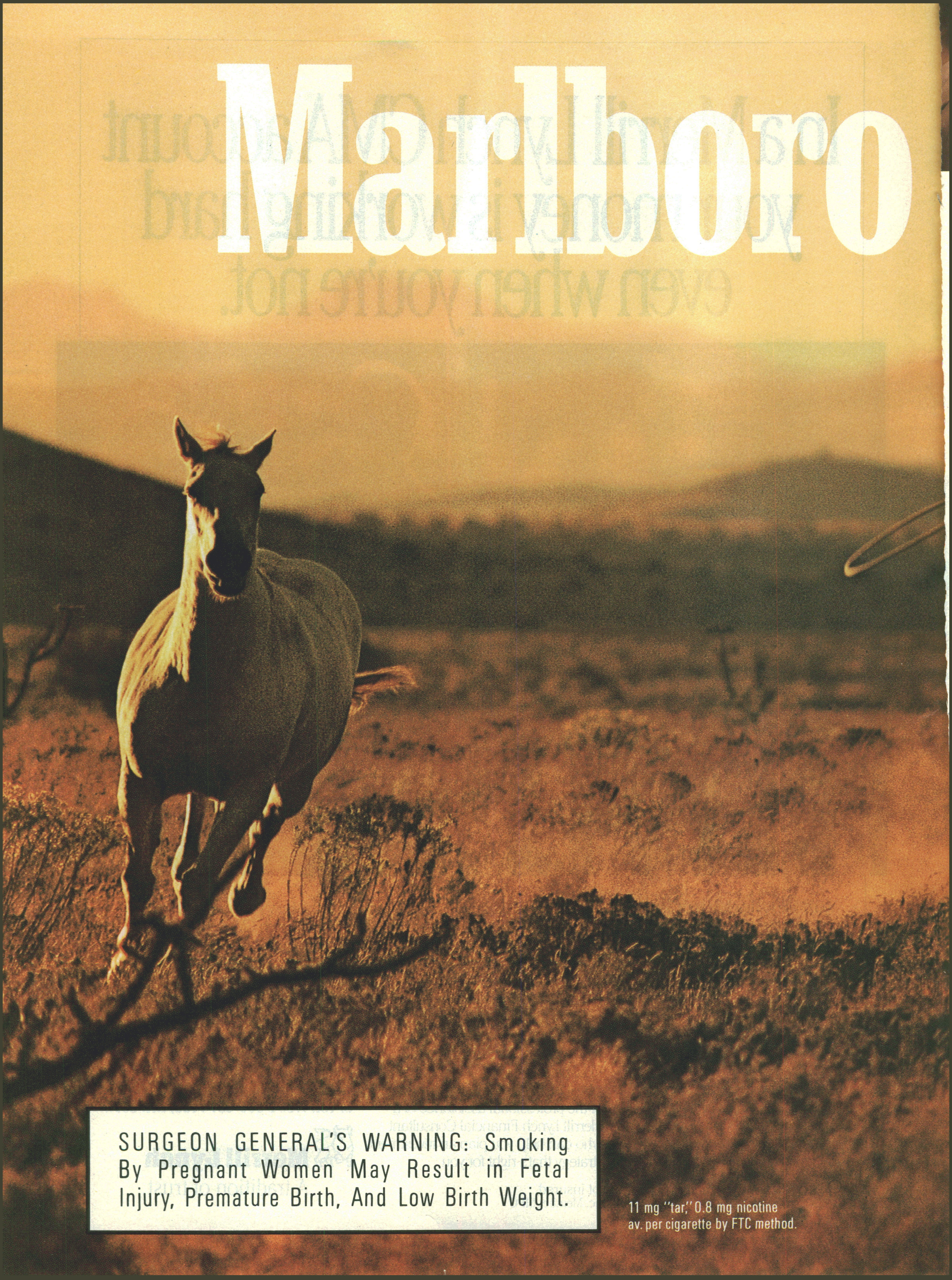

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nounced an environmental program that calls for putting 10 million cars powered by alternate fuels on the road by 1997.

The oil industry won't surrender gasoline's monopoly without a fight. Atlantic Richfield last week unveiled a new, reformulated gasoline that contains no lead and emits 50 percent less benzene and 80 percent less sulfur, both major contributors to smog. The fuel will replace leaded gas burned in cars built before 1975. More significantly, most major oil companies are working on new, less polluting formulas for unleaded gasoline, which accounts for 85 percent of the market. "The oil industry is trying to clean up gasoline," says John Lichtblau of the Petroleum Industry Research Foundation. "It sees the handwriting on the wall."

DRUG ENFORCEMENT

The annals of a permanent war

SUSAN STEINKAMP FOR USN&WR

Bennett

As drug czar William Bennett readies the latest U.S. battle plan against narcotics, the former Education Secretary might take a look at the history books. His strategy, due the day after Labor Day, is likely to be long on eradicating drugs in source nations and short on seizing illicit shipments at the border. Pages from the annals of enforcement:

- **Harrison Act.** The 1914 law was the first effort to regulate narcotics distribution by doctors. It helped curb recreational drug use, but addiction remained so serious that President Hoover named a Commissioner of Narcotics in 1930.
- **Nixon's attack.** Drug abuse declined during and after World War II but quickly rebounded in the 1960s. Richard Nixon launched a war that stressed cutting off foreign supplies, particularly Turkish heroin. As the heroin problem receded, drug imports from Latin America rose.
- **Reagan's war.** Enforcement waned in the late 1970s. Then Ronald Reagan championed a broad approach that boosted the forces on the border. Yet the scourge was as bad as ever when the Bush years began. In a new report, the Police Executive Research Forum says federal drug wars "have reached the limits of their effectiveness" and calls for "local solutions." ■

Currents contributors: Joseph L. Galloway, Jim Impoco, Dusko Doder, Steven Findlay, Ed Yeranian, Don L. Boroughs, Kenneth R. Sheets, Ted Gest

PEOPLE MAKING NEWS

Breaking a date with death

August 30 was the date reserved for **Ronald Monroe**, 34, to die in the electric chair. August 31 was the date many would have waked up and wondered whether Louisiana had killed the wrong man. Monroe, accused of stabbing a neighbor, had no record of violence, while the victim's former husband has been convicted of a nearly identical murder. Governor Buddy Roemer, himself unconvinced that Monroe's trial had erased the shadow of a doubt, commuted the sentence to life without parole. Monroe's nine years on death row are over. His life behind bars is not.

■ Trotsky's turn

With Stalin attacked as a criminal, Brezhnev mocked as inept and even Lenin's lily-red name being tainted, what heroes of the Soviet Union will rise to take their place? Keep your eyes on **Leon Trotsky.** For the first time since Stalin banished the Bolshevik leader in 1929, Trotsky's writings appeared in an official Soviet publication last week. This could begin the rehabilitation of Lenin's former No. 2 man, who was murdered in exile by Stalinist operatives. The essays, promoting economic and democratic reforms, remarkably resemble the words of the Soviet who aims to be the next local hero: Mikhail Gorbachev.

Trotsky. *Writing home at last*

■ Trading places

For 2½ years after his arrest at the Wall Street offices of Goldman, Sachs & Company, **Robert Freeman** staunchly defended his innocence. His indictment for insider-trading was soon dropped, but investigators continued to gather evidence against him. Last month, a friend and fellow stock trader was convicted. A lawyer for Freeman says, "The fight just went out of him." Last week, the ex-arbitrageur agreed to plead guilty to one count of mail fraud. He faces up to five years in prison.

TED JACKSON—NEW ORLEANS TIMES-PICAYUNE

Monroe. *A shadow of a doubt saves his life but doesn't win him freedom*

WASHINGTON
WHISPERS

Counterterror experts fear sheik's extradition

Should Bush visit tanker-spill site?

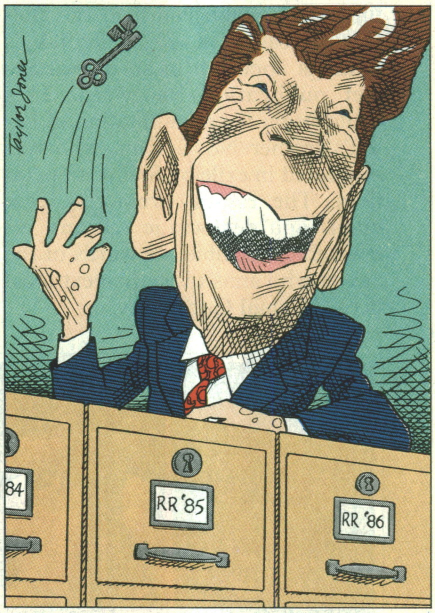
Lebanese gouged by window war

No case? Although the Justice Department is considering pressing for extradition of Sheik Abdul Karim Obeid, the Lebanese Shiite cleric and terrorist leader abducted by Israeli commandos, American counterterrorism and intelligence officials admit they have no hope of successfully prosecuting him for his alleged role in the 1988 kidnapping of the slain Lt. Col. William Higgins. The officials also say that while Obeid is a major figure in the terrorist Hezbollah, bringing him to the U.S. would only invite attacks against Americans. "The fact is, the Justice Department doesn't have a case," says one official. "I don't know what they think they're doing." If the U.S. asks for Obeid's extradition, Israel has indicated it probably would honor such a request.

On-site inspection. *President Bush wants to visit the disastrous Alaska oil spill during a three-day Western swing next month. Bush tentatively plans to spend the night of September 18 in Anchorage, then go to the site next day. However, some aides argue the plan is fraught with danger because the President would be focusing attention on the administration's initially slow response to the accident and on the many cleanup problems that remain. But Bush counters that the political risks would be outweighed by the demonstration of his concern for the environment.*

Ivan calling. The Soviet Union is trying a soft sell to lure defectors back to the motherland. Twice recently, Soviet Embassy officials have turned up unannounced on the doorsteps of defectors living in the capital area to ask politely: "Is there anything you need?" The Soviets offered to get in touch with defectors' relatives who had been left behind; they proffered financial and medical help and extended invitations for Russian-style tea and sympathy. The defectors, accustomed to being denounced as traitors by Moscow's representatives in the U.S., were astonished by the sudden solicitude. But neither felt tempted by the implicit invitation to return. Indeed, what impressed—and alarmed—one of the defectors was not the offers of aid, but that the Soviets had discovered his supposedly secret address.

For Ron's eyes only. *Two days before he left the White House, Ronald Reagan signed a presidential order giving him power to deny access to any Reagan-era document that he felt "might impair" national security, law enforcement or the "deliberative processes of the executive branch." The order, buried in the* Federal Register, *has now come to light and has drawn the fire of critics who complain that Reagan had granted himself unprecedented powers to impede potentially embarrassing examination of his administration. But a senior adviser to the former President explains that because Reagan was the first Chief Executive covered by a law regulating presidential documents, his order simply established procedure. The aim, he said, was to avoid the kind of litigation that continues to hamper the release of some 40 million pages of Richard Nixon's presidential documents still in the National Archives.*



Former President Reagan
I've got a secret

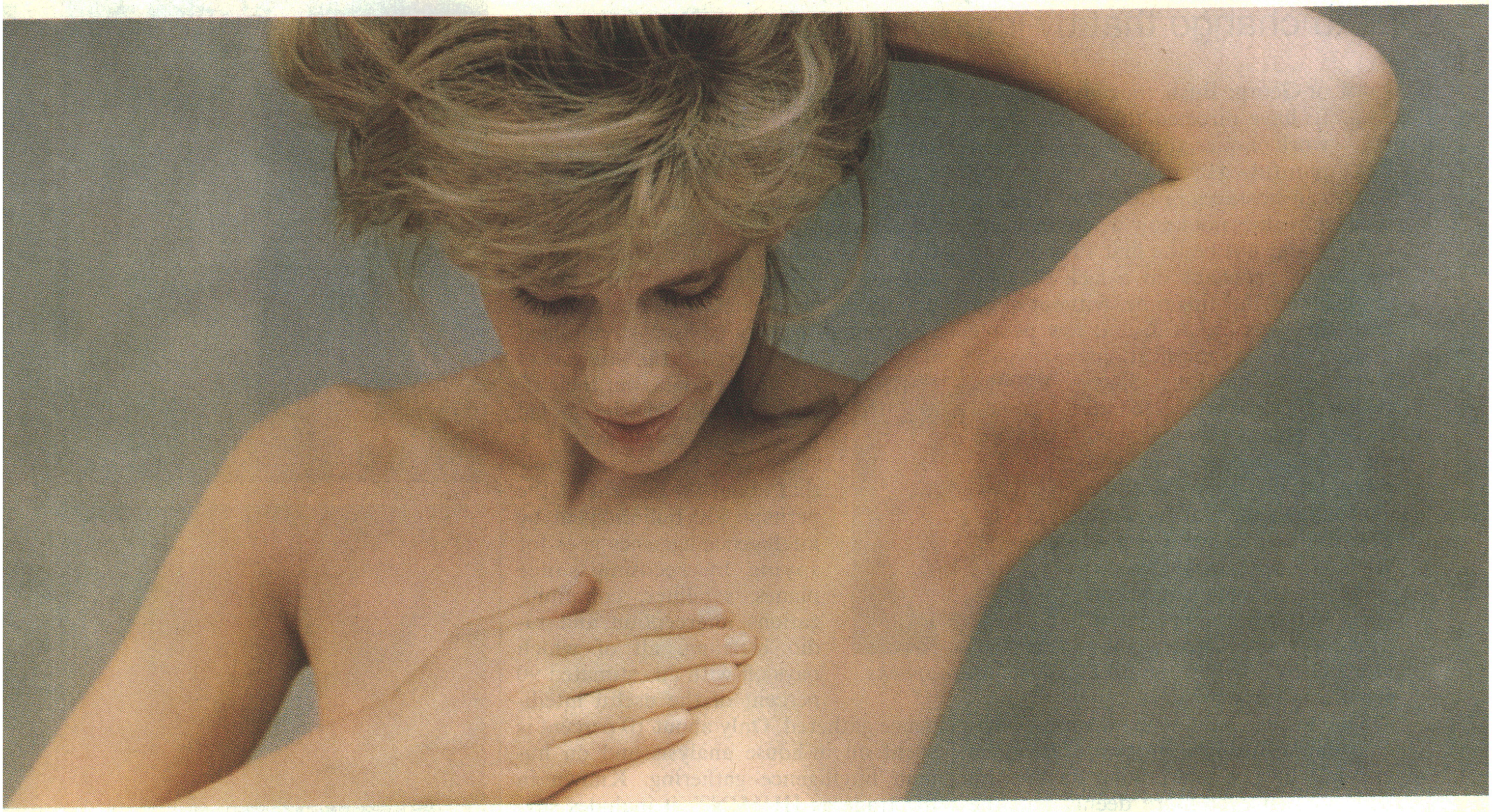
High and low. So many investigators are looking for evidence dealing with the burgeoning scandals at Housing and Urban Development, employes complain that they are being forced to put in unpaid overtime to keep up with demand for copies of documents from former Secretary Sam Pierce's regime. The extra hours have made some of them a trifle grumpy. Their union wrote Secretary Jack Kemp griping about low morale and the high cost—$7 per person—of the first annual HUD family picnic. Kemp wrote back saying the union had it all wrong: It was HUD morale that was high and the price of the HUD picnic that was low. Besides, picnic profits went to the HUD day-care center.

States of mind. *George Bush—who was born in Massachusetts, grew up in Connecticut, once lived in Virginia and California, represented Texas in Congress and spends summers in Maine—last year told voters in a wide range of states: "I'm one of you." But now that he's President, Bush may finally have to make up his mind about his official home. The reason is a proposed new law designed to help the town of Kennebunkport, Me., deal with the financial burdens imposed by its becoming the site of the summer White House. Kennebunkport officials say that when the President is in town they have to spend, for example, an extra $1,500 a day for police checkpoints on the two roads leading to the presidential compound. Now, Washington may assume the extra costs. However, the bill, which must still win approval by a House-Senate conference, says federal aid may go only to towns of less than 7,000 population that serve as the "permanent residence" of Presidents. Does this mean that if Bush wants to help his summer neighbors, he would have to forswear Massachusetts, Connecticut, Virginia, California and Texas and declare himself an official Down Easter? Says a White House spokesperson: "The bill has to go to conference. We'll catch it there."*

The new meaning of *chutzpah*. In the shattered remains of Christian East Beirut, where as many as half the windows have been blown out by Syrian artillery, a shipment of glass panes mysteriously appeared for sale. Naturally, business was brisk. But how had the shipment gotten through the Syrian lines? Lebanese who paid top prices for their panes had no doubts: It was the Syrians who had brought in the glass to replace windows they themselves had destroyed, earning big profits—and in the process giving new meaning to what in neighboring Israel would be called *chutzpah.*

Edited by Charles Fenyvesi

Mary Brodie won't feel the lump in her breast for another two years.



Like a lot of women, Mary Brodie understands the importance of regular breast self-examination. And because she's never felt a lump, she thinks everything is fine. It's the same conclusion a lot of women reach.

Unfortunately, it's wrong.

The tiny tumor that's forming in her breast is too small to feel. But with mammography, it's not too small to see.

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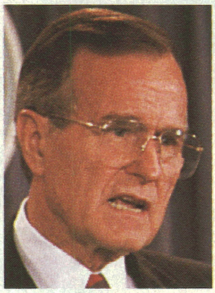
Better things for better living. DU PONT

Where spies really matter

President Bush is angry that he is not getting good information about key places, and he wants to change that by improving U.S. intelligence

For George Bush, the only President to have directed the nation's network of spies, the irony is acute and painful. He cannot rescue the American hostages in Lebanon, he says, because he does not know where they are. Bush would not be the first President to blame his problems on a lack of good intelligence. But this time, without question, the gaps are real, and few people understand the implications more clearly than Bush. Since taking office, he has beefed up the secret budget for spies and for intelligence analysis and wants to do more. But the challenges are formidable. For instance, to find the hostages, U.S. spies would have to penetrate the small, tightknit clans that hold eight Americans captive or else persuade a member to turn traitor. Both are nearly impossible.


DARRYL HEIKES—USN&WR

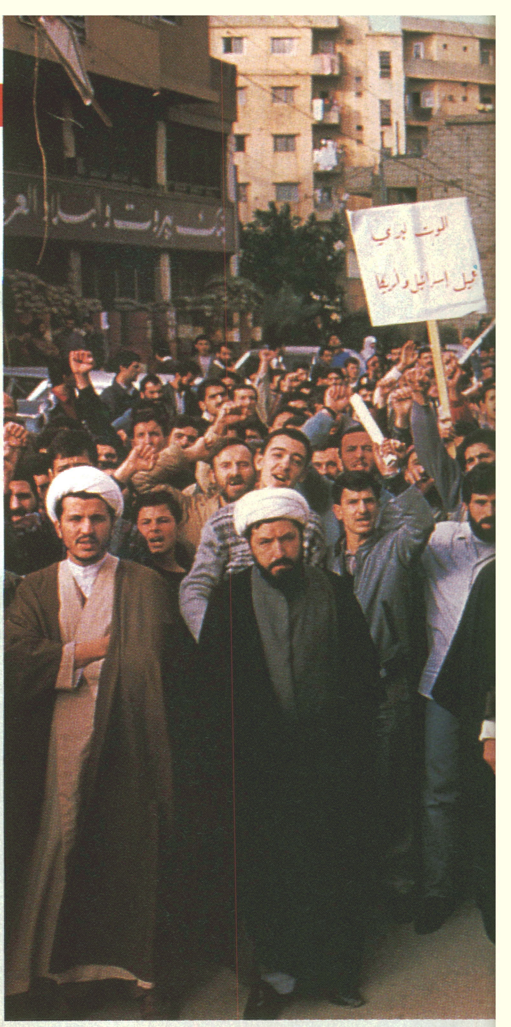
Bush. *More spooks*

The hostage issue is just the most obvious of a multitude of problems facing the U.S. intelligence community. Its spies are being drawn ever more deeply into the war against drug smugglers, into policing proliferation of chemical and biological weapons and even into trade issues. While the administration continually updates its priorities, experts say what is needed is a longer look at the threats of the 1990s and a new commitment to developing human spy operations. In places like Lebanon, China and Panama, Bush knows he needs a richer ethnic mix of streetwise case officers and well-placed informers, and he knows it will take time. "I don't want to hold out the wrong kind of hope that you can say, 'Let's get more agents, more intelligence in the human source' and that that happens overnight. It just doesn't work that way," the President said recently.

Part of the problem stems from the long decline of clandestine operations. Since the 1950s, the nation's reliance on its huge, supersecret electronic and satellite-spying organizations, budget cuts and officials' distrust of covert operations all eroded the clandestine service, says Bobby Ray Inman, a former deputy CIA director. By 1979, Inman says, clandestine manpower had dropped to 40 percent of its level in the 1950s. President Reagan, his director of central intelligence, William Casey, and Casey's deputy, Robert Gates, now Bush's deputy national-security adviser, streamlined and upgraded the analysis of intelligence data, but their efforts to rebuild the global network of spies were less successful. Experts say now that about 90 percent of the perhaps $10 billion spent by intelligence agencies goes for spying by reconnaissance planes, satellites, communications interception and radio listening, all of which pays off with an estimated 90 percent of the useful intelligence gathered. Only about 10 percent is spent on in-house analysis and on human intelligence gathering. Known in the trade as HUMINT, it includes spying, running spies and turning enemy agents. No one argues that technical collection should be diminished. It is just that the problems facing Bush appear to be ones where human spies matter most.

What's needed. Former intelligence officials say the government's increasing attention to rebuilding America's human spying capabilities should fall into five categories: First, there is a greater need than ever for intelligence on a rapidly changing Soviet Union, which under Gorbachev is spying more on the U.S. and is in especially hot pursuit of advanced Western technology. Second, Japan, South Korea and Taiwan, among others, have become serious economic competitors with the U.S., and it is vital to get a better inside look at their intentions. Third, nations like Brazil, Argentina and China are selling increasingly deadly and sophisticated weapons, including ballistic missiles, while others are buying chemical and biological agents. Fourth, the U.S. needs more and better intelligence on drug trafficking and terrorism. Fifth, the world will continue to be threatened by regional conflicts; thus, better intelligence in India, Pakistan, Vietnam, Cambodia and the Middle East is essential.

Middle East. Some of the intelligence community's troubles in the Middle East stem from a tragic combination of bad luck and sloppy procedures. In a few short years, an American spy network in the region, which had taken 20 years to build, was destroyed. The first blow was the Iranian revolution in 1979, which ousted the Shah and destroyed Savak, the Shah's secret police, on which the U.S.


M. ATTAR—SYGMA

القاومة الاسلامية في جبل صافي والويزه

AFP

RICARDO WATSON

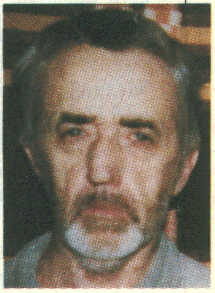
The intelligence gap. *Bush has not gotten good information during key crises. Spies cannot penetrate the Hezbollah fanatics in Lebanon, above, because they are so close-knit. U.S. agents did not predict the Chinese Army attack on students, far left, and have not been able to infiltrate Noriega's troops in Panama.*

had relied heavily. The next blow was the loss of virtually all American spies in Lebanon, a process that began when Israel invaded in 1982 and ousted the Palestine Liberation Organization, which removed many of the CIA's best sources from the city where American hostages are believed held. Less than two years later, the man sent to rebuild the Lebanese network, William Buckley, was taken hostage himself and killed. U.S. intelligence in Beirut was back to zero.

After that, the U.S. made only a halfhearted attempt to rebuild. Robert McFarlane, national-security adviser to Reagan, says the U.S. made little investment in human intelligence in Lebanon over the last eight years and instead began to rely more heavily on Israel for intelligence on Lebanon, the hostages and their Shiite captors. But the Israelis, like everyone else, are not infallible, even in their own region. Nor do their interests always coincide with those of the United States. The Israelis, for instance, urged the Reagan administration to deal with "moderates" in Iran and believed the Christians could remake Lebanon.

China. A former high intelligence official under Reagan says that the U.S. relied too heavily on its close relationship with Chinese intelligence, as it had on Savak in Iran, and was reluctant to spy on the Chinese government or military. Administration sources say that the Bush administration had no advance word, or at least failed to understand the warning signs, of the June 4 crackdown in Tienanmen Square. Sources say Bush was particularly upset that, just before the crackdown, some U.S. officials thought Deng was in a coma. In fact, he was traveling the country, lining up support from potentially rebellious Army units. On the critical question of whether there were disputes within the People's Liberation Army, intelligence officials say the U.S. was pretty much in the dark.

Panama. Gen. Manuel Antonio Noriega curried favor with U.S. intelligence officials for years by passing useful intelligence to the CIA and the Drug Enforcement Administration. For all its close association with him, however, the Reagan administration had no idea how hard it would be to dislodge Noriega or to penetrate the Panamanian Defense Forces, the institution that keeps him in power. Now, the U.S. seems almost powerless to influence Noriega, and Bush feels hamstrung by a lack of solid information.



AUQUE—GAMMA LIAISON

Spy Buckley. *Slain*

The huge amounts spent on technical collection are a tempting target for those who would improve HUMINT. "In HUMINT, people have to fight over $150,000," says Kenneth deGraffenreid, the senior director of intelligence for Reagan. "In the technical stuff, millions of dollars fall off the shelf." Some urge a reallocation of funds. In reality, the two complement each other, a fact highlighted in recent successful operations when HUMINT and technical spying led to the capture of terrorist Fawaz Younis, the interception of the *Achille Lauro* hijackers and the discovery of a Libyan chemical-weapons plant. "They should never be seen as competitive; they're different," says William Odom, a former director of the National Security Agency. "It's like saying you're going to trade off violins against the brass section. You just can't get brass sounds out of the violins, and you can't get violins out of the brass section."

But in places such as Lebanon, China and Panama, where satellites cannot answer the most important questions, the U.S. now must rely on what one intelligence officer calls RUMINT—rumors intelligence—for answers. A frustrated President Bush has sent strong signals that he wants to change that for the sake of American hostages in the Middle East and for the nation's future well-being. ■

by Peter Cary with Brian Duffy,
Kenneth T. Walsh and Charles Fenyvesi

Watchdogs overdose on generic drugs

A new scandal raises questions about some popular medications

TIMOTHY A. MURPHY

Damage containment. *FDA's Young on the hot seat*

The smell of scandal is disturbingly familiar: Corruption in high places, an absence of oversight and signs that deregulation went awry. Now, after fiascoes involving S&L's and low-income housing, Washington's latest case of skulduggery could come as close to home as the corner drugstore. For more than a year, government investigators have been probing payoffs, fraud and other irregularities in the process by which the federal Food and Drug Administration (FDA) approves generic drugs, the unbranded versions of higher-priced prescription medications. Last week, the FDA expanded its own investigation into problems in the generic-drug industry. Alarmed at instances of shoddy manufacturing and falsified test results, the FDA seized samples of the 30 top-selling generics, launching tests to make sure they were safe.

The scandal cast a cloud over the $3.8 billion generics industry, which has boomed in recent years and now accounts for nearly 1 in 3 prescriptions. Moving to contain the damage, Health and Human Services Secretary Louis Sullivan and FDA Commissioner Frank Young last week called on Congress to grant the FDA sweeping new enforcement powers, including the authority to bar companies that filed false test results from obtaining new drug approvals in the future. Still, as other investigations continue, Congress seems certain to step up its own probe of the FDA and the generics industry when it returns from summer recess. Lawmakers may take an especially hard look at landmark 1984 legislation designed to promote the use of generics by speeding approval of the drugs.

Streamlined approvals. It was that well-intentioned law, coupled with Reagan administration policies encouraging deregulation of the drug industry, that helped to pave the way for the current scandal. Enacted as government and private insurers were looking to hold down health costs, the legislation directed FDA to expand use of a fast-track procedure for approving generics. While brand-name drugs had to undergo extensive tests to prove they were safe and effective, manufacturers of generics would need only to conduct limited tests to show that their products worked as well in the human body as the original brand. The streamlined approval process made the industry wildly profitable for the first time. Generics producers, many of them start-ups, scrambled to beat others to market with duplicates of brand drugs when those drugs' patent protection expired.

But last year, one generics producer, Mylan Laboratories, Inc., of Pittsburgh, went to the House Energy and Commerce investigations subcommittee with suspicions that foul play in the approval process had favored its competitors. A criminal investigation followed; last spring, the branch chief of the FDA's generics division, Charles Y. Chang, pleaded guilty to charges that he had accepted about $13,000 in gifts from one generics manufacturer, American Therapeutics, which was not charged. Two other companies, Par Pharmaceutical and its subsidiary Quad Pharmaceuticals, and two of Chang's subordinates were also charged with making or receiving illegal gratuities. More indictments of company or FDA officials are expected. Meanwhile, a separate FDA investigation turned up evidence that some generics producers faked test results and other information reported to the agency. Par owned up to misleading the FDA about one drug, while another firm, Vitarine Pharmaceuticals, admitted that employes had given the agency the brand-name blood-pressure drug Dyazide, not its own generic product, for approval.

The FDA has told a number of generics companies to recall or suspend the sale of more than 100 products. While Sullivan emphasized last week that the government had "no evidence that the safety or effectiveness of generic drugs has been compromised," congressional sources insist that the scandal raises questions about the overall safety and efficacy of many of the drugs. Yet most experts believe that generics are still an appropriate alternative for patients. "Generics are just as safe, just as effective and much less expensive than the brand-name counterparts," says Dr. Sidney Wolfe of the Washington-based Public Citizen Health and Research Group.

Consumers confused about generics should seek advice from their physicians or pharmacists, drug experts said. And in Washington, officials still reeling from earlier scandals may soon be asking why the bad news always comes in threes. ■

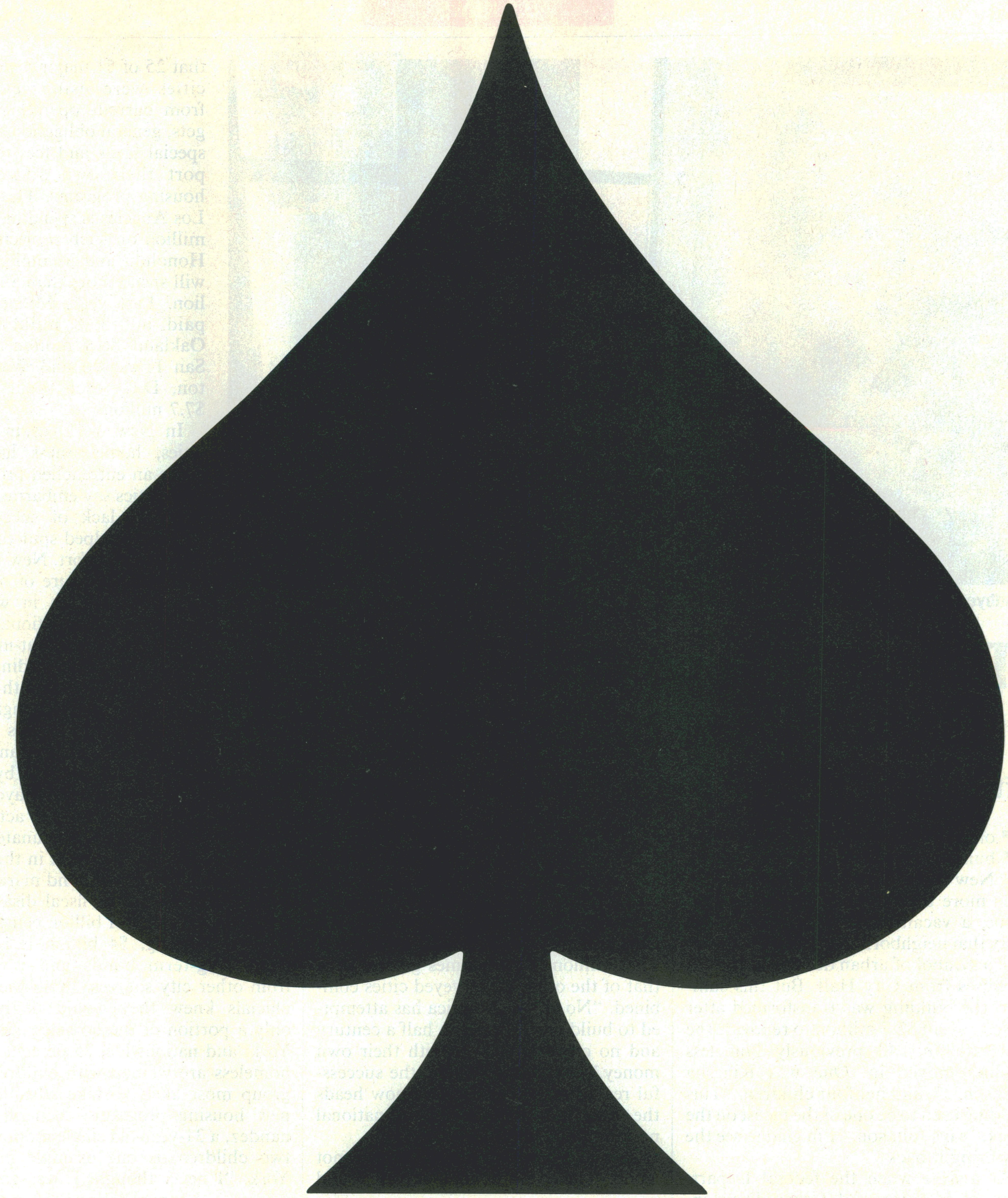
by Susan Dentzer with Joanne Silberner

THE GENERIC DRUG DIFFERENCE

The six most prescribed generic drugs on the market and their brand-name counterparts—

Generic drug	Price	Brand name	Price	Use
Amoxicillin	$ 7.29	Amoxil, Polymox, Trimox	$12.97	Antibiotic
Penicillin VK	$ 2.99	Penn Vee K, V-Cillin K	$ 7.53	Antibiotic
Ampicillin	$ 5.67	Amcill, Omnipen, Polycillin	$ 7.72	Antibiotic
Prednisone	$ 2.45	Deltasone, Orasone	$ 3.45	Anti-inflammatory
Tetracycline HCl	$ 3.05	Achromycin V, Bristacycline, Cyclopar, Panmycin, Robitet Sumycin, Tetracyn	$ 4.90	Antibiotic
Hydrochlorothiazide	$ 2.99	HydroDiuril	$ 7.24	Blood pressure

Note: Prices refer to average adult dosages.
USN&WR—Basic data: U.S. Food and Drug Administration, New York State Dept. of Health, American Association of Retired Persons



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PHOTOS BY SCOTT THODE FOR *USN&WR*

Goodbye to homelessness. *"Now, I can get on with my life," says Minerva Hernandez*

The big-city push to fill the housing gap for the poor

After federal cuts, New York and others are rebuilding

For more than a decade, the apartment building at 815 Fairmount Place in New York City's South Bronx was little more than a home to rats and pigeons, a vacant shell with an art deco entry that neighborhood residents considered a symbol of urban decay and broken promises from City Hall. But this summer, the building was transformed after the city spent $2.7 million to renovate the structure and 43 previously homeless families moved in. One was Kinesha Johnson, 37, and her four children. "This building used to be one of the nicest on the block," says Johnson. "I'm glad to see the city bring it back."

At a time when the federal Department of Housing and Urban Development is mired in corruption and mismanagement, and while federal low-income-housing funds have been cut by 60 percent in the last decade, New York is becoming a public-housing success story. Indeed, New York is on the cutting edge of a new urban commitment to subsidized housing for the poor and the homeless. It is happening in New York because of an unusual combination of private enterprise and community support, an abundance of tax-defaulted property and money—lots of it. The 10-year program, which began in 1986, will cost $5.1 billion and will provide 252,000 units of permanent, affordable housing for poor, homeless and moderate-income individuals. A recent survey by the New School for Social Research in New York shows that New York City's fiscal-1989 housing spending of $740 million is three times greater than that of the other 50 surveyed cities combined. "No city in America has attempted to build on this scale in half a century and no city has done it with their own money," says James Rouse, the successful real-estate developer who now heads the Enterprise Foundation, a national nonprofit housing group.

New York may be first, but is not alone. The New School survey found that 25 of 51 major American cities were using revenues from current operating budgets, general obligation bonds, special taxes and fees to support their own affordable-housing programs. This year, Los Angeles is spending $50.6 million on such projects, and Honolulu and Memphis each will spend more than $20 million. Last year, Minneapolis paid out $9.8 million and Oakland $6.3 million, while San Francisco and Washington, D.C., each spent about $7.7 million.

In New York, as in other cities, homelessness has become an entrenched problem, and critics say embarrassment over the lack of success in solving it helped spur the ambitious new effort. New York's Band-Aid measure of placing homeless families in welfare hotels became a national symbol of failed housing policy. Rat-infested hallways, drug use, overcrowding and rents soaring to $1,600 a month for a single room were common. Congressional threats during the mid-1980s to cut off federal homeless-family assistance unless the city closed the 62 hotels by 1990 provided more incentive for Mayor Edward Koch's administration to act.

Money and real estate. Fortunately, by that point, the city was back in the good graces of the municipal-bond market, after recovering from its fiscal disaster of the 1970s. Of the $5.1 billion being spent for new housing, $4 billion is coming from long-term bonds and revenues from other city sources. From the start, officials knew they would be helping only a portion of the homeless. In New York, and nationwide, 25 percent of the homeless are women with children, the group most likely to take advantage of new housing programs. Minerva Hernandez, a 31-year-old single mother with two children, is one example in New York. "I never thought it was going to happen," says Hernandez, who moved into a renovated building this summer. "Now, I can get on with my life.

Another key to New York's success is the vast supply of city-owned housing. Fixing existing housing is still cheaper than building new units. It now costs between $65,000 and $70,000 to gut and rehabilitate an apartment in a vacant building, but $120,000 to build a new apartment. With 5,000 vacant city-owned buildings available, New

New view. *A Bronx building is being rehabilitated*

York has been able to keep the per-unit cost low. In contrast, other cities have much smaller stocks of vacant housing, and bureaucratic restrictions often hobble efforts to use them. Most cities typically tear down their vacant structures or sell them. In Detroit, more than half of the 6,500 vacant single-family homes are likely to be torn down despite pleas from homeless advocates. But the picture is brighter in some other cities. In Philadelphia, where the city owns as many as 20,000 vacant properties, officials are beginning to renovate buildings for the needy.

Help from the people. In New York, the city's rich tradition of community activism has been crucial to the housing effort. Hundreds of grass-roots organizations are working with the city to renovate and manage buildings. One of them is the Banana Kelly Community Improvement Association, which has so far redone more than 400 apartments in the Bronx. In addition, several national nonprofit organizations are participating, including Rouse's Enterprise Foundation, which has allocated 1,000 units of housing to 18 neighborhood groups. Another promising partnership, the Local Initiatives Support Corporation, works with community development groups to revive blighted areas. It has combined about $25 million in corporate investments with $49 million in low-interest loans from the city to renovate 972 housing units in Brooklyn, the Bronx and Manhattan. Andrew Cuomo, the son of New York Governor Mario Cuomo, gave up his law practice in 1987 to form the nonprofit "Housing Enterprise for the Less Privileged."

Mayor Koch, locked in a tight primary-election battle in his bid for an unprecedented fourth term, is trumpeting the housing initiative in his campaign. That irks some critics, who say the mayor's claim of credit is excessive. Some housing experts fret that the plan is inadequate in addressing the growing housing needs of the working poor. And one group, the Community Service Society of New York, has questioned whether too many of the housing programs are aimed at moderate-income families and not enough at the minority poor. The city says 60 percent of the new housing will go to the poor.

As the federal government continues to debate its role in funding new housing for the poor, there is widespread agreement that other cities will have no choice but to follow New York City's example. "Many local officials grouse about losing federal support," says Andrew Cuomo. "But most understand it is time for them to step up to the plate." ■

by Scott Minerbrook

CHARLIE ARCHAMBAULT FOR *USN&WR*

Mistaken identity. *A Maryland tower deemed "suitable" for the homeless*

How not to help the homeless

The McKinney Act was billed as a painless solution to the homeless problem: The federal government would turn over thousands of empty, surplus buildings to homeless advocates for use as kitchens, health clinics and transitional shelters. But, despite a U.S. court order in early August demanding that the government make more surplus properties available, compliance has been slow. Of 3,500 buildings or parcels of land other agencies referred to the Department of Housing and Urban Development, only six buildings have been leased to the providers.

One problem plaguing the 2-year-old law is that it is being administered by an agency preoccupied with scandal. HUD is supposed to gather lists of vacant buildings and land from cabinet departments such as Defense, Health and Human Services and Veterans Affairs and decide which are suitable for homeless use. But the process is almost completely stalled, despite a fairly clear mandate.

Faulty tower. Holes in HUD's administration began appearing last March when officials in Kent County, Md., received a letter from HUD saying it had a building "suitable for homeless use." The property was an 80-foot-high metal observation tower formerly used by the Army and located above a Chesapeake Bay beach. The tower, reachable only by climbing a rickety stairway, is without water and electricity and is inaccessible to the public. To make matters worse, local officials say, there are no homeless in Kent County.

McKinney has suffered from the opposite problem, too. Suitable properties have been left off the list. In New York City, a 16-story office building in Lower Manhattan was said by HUD to be occupied and thus "unsuitable" for the homeless. Yet staff members from the office of Representative Cardiss Collins (D-Ill.) found 60,000 square feet of the building was not being used. It was only under pressure from Collins that HUD reversed itself and made the space available.

In other instances, bureaucratic gamesmanship appears to be keeping suitable property in limbo. Advocates for the homeless say a 14-acre government parking lot in Arlington, Va., was a perfect site for placing trailers to house the homeless. But rather than agreeing to that use, government agencies fiddled around with the title, and eventually the land was transferred to the Navy. It probably will remain a parking lot.

The McKinney Act itself is also a part of the problem. While HUD is supposed to supervise the transfer of surplus property to the homeless, the law provides HUD no authority to force other agencies to make the transfer. The law does not even adequately define what kind of homeless provider groups could qualify to take over these properties. John Neale, a federal official who helps oversee government properties, says, "Maybe what we need is a new law." Perhaps. But for the homeless, just making the current one work better would be a start.

TOMORROW

IN THE ABORTION BATTLE, LOWER COURTS ARE IMPORTANT, TOO

■ PRIVACY LAWS ARE BEING TESTED

Immediately after July's Supreme Court decision on abortion, attention turned to state capitals as the next battleground. But while wary lawmakers across the country begin to grapple with the issue, the lower courts, both state and federal, will have as much or more to say about the availability of abortions.

For state judges, the first order of business is interpreting privacy laws already on the books. In 1972, for example, California voters enacted an "unalienable right" to privacy, a doctrine cited when courts grant abortion rights. The California clause did not mention abortion, but the state's high court must now decide whether women there should have abortion rights even if federal courts later retreat. Up to a dozen states, including Florida and Illinois, have privacy or women's-rights provisions. Florida's high court is studying a state law that requires women under 18 seeking an abortion to obtain consent from a parent or a judge. The decision, expected soon, may influence a special legislative session on abortion called for October. Governor Bob Martinez wants a law similar to the Missouri statute upheld by the Supreme Court, barring public spending on abortions and requiring tests to determine whether fetuses are 20 weeks old.

■ MAKING FEDERAL CASES

It is cases now making their way through federal courts that could lead to the demise of "Roe v. Wade" in the Supreme Court. In Illinois, a federal court is considering prohibiting abortions for gender selection and requiring doctors to try reducing "fetal pain" in abortions. In Louisiana, a state prosecutor is seeking federal approval to file criminal charges against doctors who do abortions. And in Boston, Planned Parenthood is challenging a federal-aid cutoff to its units that advise women on abortion. Another part of the Missouri abortion law, which says that "life begins at conception," has spawned some inventive and perhaps frivolous claims; a pregnant inmate says her fetus is being illegally detained, and a man arrested for drinking just short of his 21st birthday argues that he is nine months older since his "life" actually began when he was conceived.

■ PRO-CHOICE GROUPS FIGHT BACK

Abortion-rights advocates are pressing their own novel strategies against protests at clinics by groups such as Operation Rescue. Pro-choice supporters have filed a half-dozen lawsuits seeking damages under racketeering or antitrust laws. They complain that patients have been knocked down and that demonstrators are extorting clinic employes with tactics such as threatening phone calls to scare them into quitting their jobs. Right-to-life leaders respond that the suits are chilling their free-speech rights. But the pro-choice side prevailed recently when a federal appeals court ruled that protesters had contributed to the loss of a Philadelphia clinic's lease.

Even with all the activity in lower courts, the Supreme Court remains a focal point. Attorneys are now putting the finishing touches on briefs in three cases to be argued next term. The most significant challenge to Roe is a test of an Illinois law requiring abortion clinics to operate as full hospitals, a provision operators say will make abortions so expensive the clinics will go bankrupt. But Democratic state Atty. Gen. Neil Hartigan, who must defend the law, is softening his anti-abortion stance while running for governor and may not fight Roe. The Court's acceptance of parental-notification cases from Minnesota and Ohio also is unlikely to overturn Roe.

■ WHITE HOUSE MAPS STRATEGY

The Bush administration is now deciding whether to use these pending cases to renew its full-scale legal attack on abortion. But Bush, who recently has stayed out of the limelight on abortion, may opt for continuing to chip away at Roe. Pro-choice lawyers have decided not to flood the Justices again with briefs, a tactic they fear may have backfired if the dozens filed in the Webster case went unread as is suspected. Instead, they will try to present their views concisely in an effort to attract the Justices' attention. As the cases move through both federal and state courts, it is likely to be years before restrictions are upheld that appreciably reduce the 1.6 million abortions performed in the U.S. each year.

by Ted Gest

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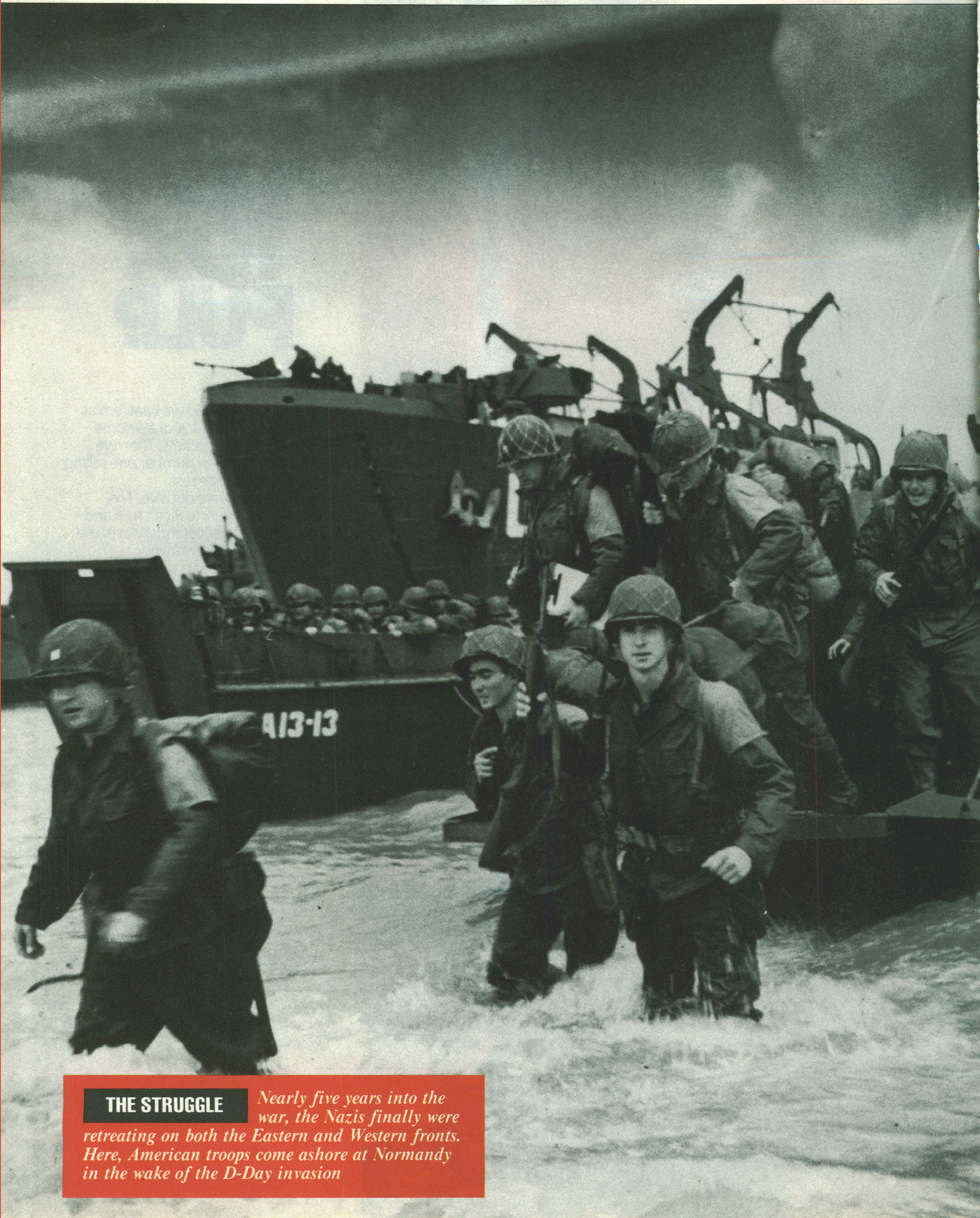
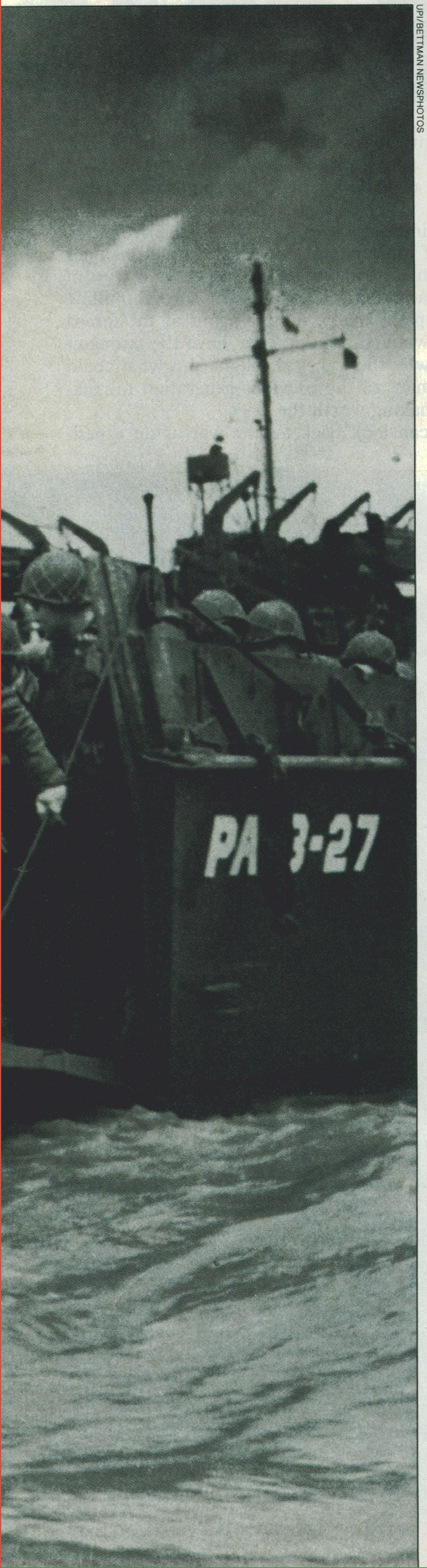


THE STRUGGLE *Nearly five years into the war, the Nazis finally were retreating on both the Eastern and Western fronts. Here, American troops come ashore at Normandy in the wake of the D-Day invasion*



UPI/BETTMAN NEWSPHOTOS

WORLD AT WAR

Fifty years ago this September, World War II began. Millions struggled in it and millions died in it, but in many ways it was the war of just one man. Hitler made it, he fought it, he determined its barbaric character, and his will continuously enlarged and sustained it from the beginning almost to the very end. The pages that follow examine history's greatest conflict, the man who started it and the world that exists a half-century later.

- Hitler's Grab for World Power 34
- Who Was Hitler? 38
- Hitler's View of Europe 46
- The World the War Created 68
- Germany and the Soviet Union 68

WORLD AT WAR 50 YEARS

HITLER'S GRAB

BY JOHN KEEGAN

This year is the 50th anniversary of the outbreak of World War II. The war was the largest event in history. It killed 50 million human beings, wounded in body or mind tens of millions more, laid waste the heartland of Western civilization and spread death and destruction across six of the world's seven continents and all of its oceans.

It was a war that sent Brazilians of African descent to fight Germans in Italy, Australians to attack Frenchmen in Lebanon, Americans from the oil towns of Texas to bomb the oil fields of Romania, Gurkhas from the mountain kingdom of Nepal to battle Japanese soldiers in the malarial plains of Burma, Cossacks wearing German uniforms to defend the beaches of Normandy against French Canadians, Spaniards to perish from exposure in the snowbound wastes of the Russian steppe, German submarines to torpedo Norwegian seamen in the Indian Ocean.

It is a war vividly remembered by those who fought it, never to be forgotten by the families of those who perished in it. It is also a war that generations too young to recall it continue to find of deep and compelling interest. They know that the world they inhabit was changed and shaped by World War II. But how the war was fought and, to an even greater degree, why it was fought are questions that tantalize and mystify.

The price of resistance

For Russians of the postwar generation, the war is an event that left 1 in 3 without a father, that requires every bride to this day to place her wedding bouquet on the local war memorial, that on the anniversary of victory in Europe each year on May 9, fills every park and public place with veterans who come to celebrate their own, their comrades' and their country's survival. For the British, the war is a national epic, when for nearly two years they sustained the struggle against Nazi tyranny singlehanded while their cities burned under German bomber attack, which left them as a people unbowed but gravely bloodied. For the French, the war is remembered as a national humiliation, undoing every effort they had made, at terrible blood sacrifice, to redeem the soil of France from German occupation in 1914. For the little peoples of Europe, the Poles, the Czechoslovaks, the Yugoslavs, the Greeks, the war was a cataclysm that caused the deaths of hundreds of thousands of their citizens, awoke rancors that divide them politically to this day and consigned many of them to alien and undemocratic rule. The small democracies of Western Europe—Holland, Belgium, Denmark, Norway—paid a terrible price for their weakness and neutrality at the war's onset, measured in the cost of economic exactions and the deportation of brave resisters to forced labor and the concentration camps.

The Japanese count the cost of their opportunistic participation in the hatred and suspicion they won for themselves among their Pacific neighbors and in the punishment they suffered as the first victims of nuclear bombardment. The Germans, the war's instigators, paid the heaviest price of all. Divided, deprived of their capital city and of much of their historic territory, denied for decades the respect and trust of their fellow Europeans, doomed to mourn several million war dead and perhaps as many victims again of the forced repatriations of the war's aftermath, they have the strongest reason of all to ask why the war was fought and what could have prompted Germans of the previous generation to reckon the risks of war making worth the price.

Americans alone can look back on the war as an experi-

Contributing Editor John Keegan was for many years Senior Lecturer at Sandhurst, Britain's leading military academy. His books on military history include *Six Armies in Normandy, The Face of Battle* and *The Price of Admiralty: The Evolution of Naval Warfare.* His forthcoming volume on World War II will be published next January.

FOR WORLD POWER

ence justified by its outcome. At a cost of 400,000 battle deaths, one twentieth of those suffered by their Soviet allies, they emerged not merely as victors but as the greatest international power the world has ever known, managing an economy equal in industrial output to that of the rest of the war-ravaged world put together and deploying a level of military force—thanks to their monopoly of the nuclear weapon—against which no other state could stand.

Yet what sort of war was it and why was it fought? How, in fact, did it come to break out in the first place? We are not satisfied to be told that World War II represented "a crisis of the international system." We want to know who made it so. In every account of the war's antecedents, of course, one name predominates. It is that of Adolf Hitler.

Hitler was the man who bestrode the politics of prewar Europe. Hitler was the schemer whose aggression against Poland in September, 1939, precipitated the outbreak of the Second World War. Hitler was the commander who carried the war to every corner of the European continent and its dependencies where the Western campaigns were fought. Hitler was the monster who gave it its genocidal character, who "scientifically exterminated" 6 million Jews in the death camps of the German empire. Hitler was the enemy against whom the Allies mustered the magnitude of their forces to win victory. Hitler was the figure whose suicide signaled to the Allies that victory had been won. But who was Hitler? And where did he find the will to wage this most astonishing of all wars?

PHOTOREPORTERS

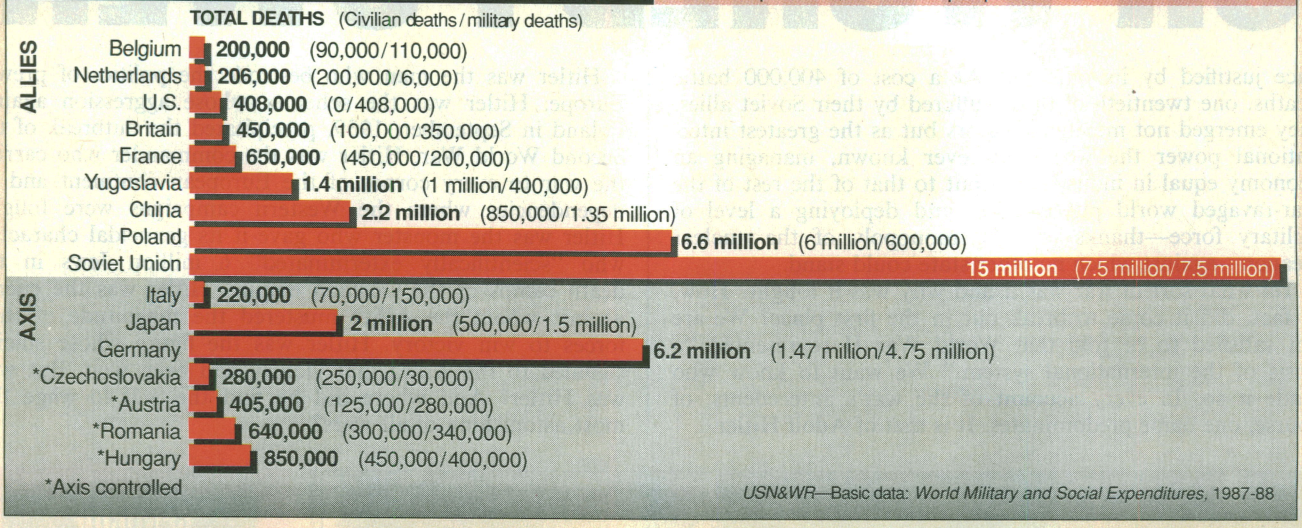
GENOCIDE

THE HORRORS OF HITLER'S NEW ORDER

At first, the Nazis beat Jews, jeered them and looted their shops. Then came Hitler's laws, banning Jews from public employment, from professions, from universities, soon even from German citizenship. As the Nazis conquered more and more of Europe, Jews were forced into ghettos—as in this photo from Warsaw—and into slave-labor camps and finally into gas chambers. There, the Nazi bureaucracy had a code name for what went on—"The Final Solution of the Jewish Question." By war's end, nearly 6 million Jews—2 of every 3 in Europe—had perished

HISTORY'S DEADLIEST WAR

Some perished in combat, some in bombed-out homes, some in death camps. In all, 50 million people died in World War II.



USN&WR—Basic data: *World Military and Social Expenditures*, 1987-88

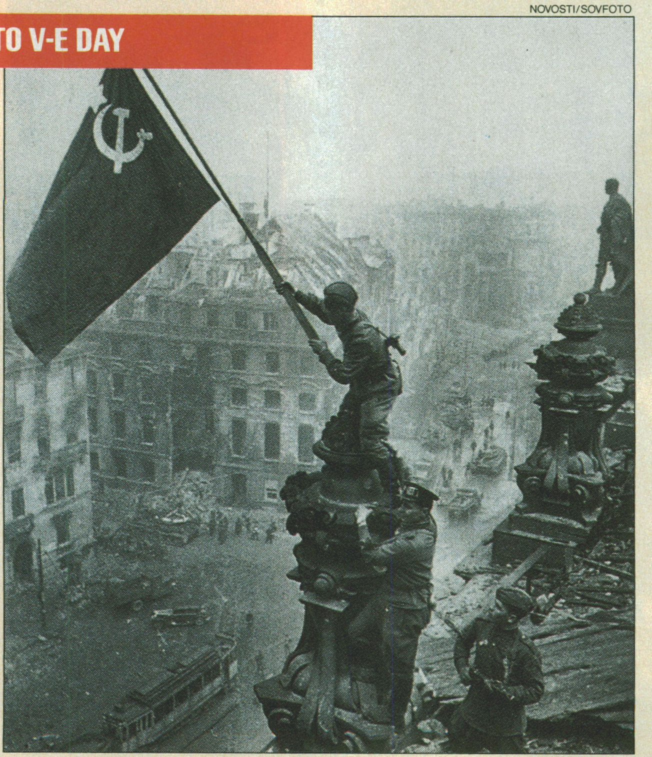
THE ROAD TO V-E DAY

THE 'WHAT IFS' OF BATTLE

The start of World War II was not what Hitler had in mind when he attacked Poland. He expected a conflict that could be contained within a manageable space. He also believed he could determine who his enemies would be. To his thinking, the U.S. was not one of them. Hitler not only started the greatest of wars, he continuously enlarged it. His will produced Germany's early victories; his miscalculations led to its devastation. Where his strategies backfired—

Battle of Britain Even after Churchill became Prime Minister in 1940, Hitler nursed hopes of an understanding with Britain. His goal: Let the British keep the Empire while he ruled the Continent. When he got no response, he reluctantly prepared an invasion. If the German Army was to cross the Channel, Britain's Navy would have to be sunk or disabled. But the Luftwaffe, the only instrument that could achieve that result, would first have to defeat the Royal Air Force. The RAF, however, had a secret advantage—radar. Britain had built an early-warning chain that gave RAF pilots a half-hour's notice of German planes taking off from France. That edge was decisive, and the Battle of Britain became Hitler's first defeat.

NOVOSTI/SOVFOTO



FINAL DEFEAT *The day the Soviet flag rose over the Reichstag—April 30, 1945—Hitler shot himself in a nearby bunker*

Invasion of Russia Hitler saw war with Stalin as inevitable. Better therefore to strike first. His surprise attack in June of 1941 produced the greatest encirclement victories ever; at Minsk, Smolensk and Kiev the Germans captured 3 million Soviets. But Hitler made a catastrophic mistake: To take Leningrad and Kiev quickly, he shifted tanks from his Central Army Group to groups in the north and south. For six weeks, the central group—the one aimed at Moscow—stalled, giving Stalin time to bring in new tanks as well as his Siberian Army. When the Germans finally reached the outskirts of Moscow, on December 5, they were too exhausted to advance. The next day, the Soviets counterattacked. The Nazis would never see Moscow again.

America's entry Japan never told Hitler it was about to attack Pearl Harbor. Yet when he heard the news, he exulted. "Now it is impossible for us to lose the war," he cried. "We now have an ally who has never been vanquished in 3,000 years." In his euphoria, he declared war on America—an unnecessary and fatal move. Had he stuck to the legalities of the Tokyo alliance, he could have let Japan take on the U.S. alone. Roosevelt might have had months of difficulty in persuading Congress to declare war on Germany. As it was, FDR initiated a strategy of defeating Hitler first. Again, as in World War I, America's entry sealed Germany's fate.

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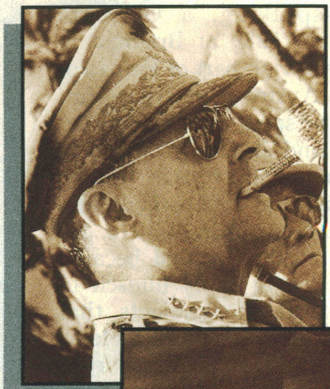

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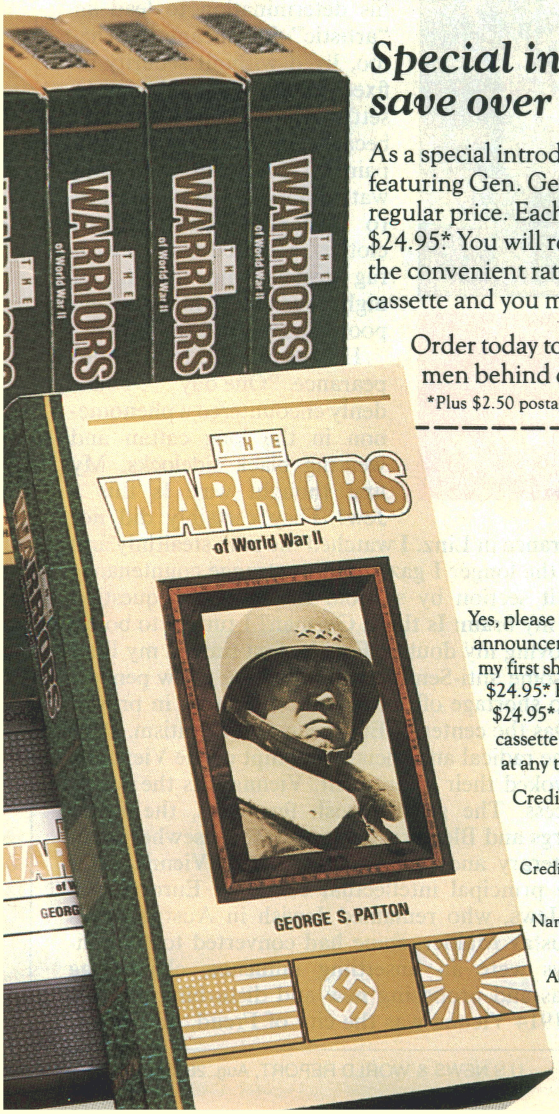

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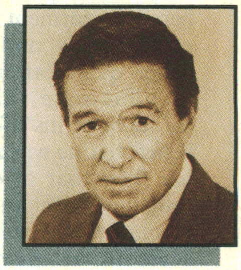

Narrated by Mike Wallace. From the Peabody Award winning television series, *Biography.*

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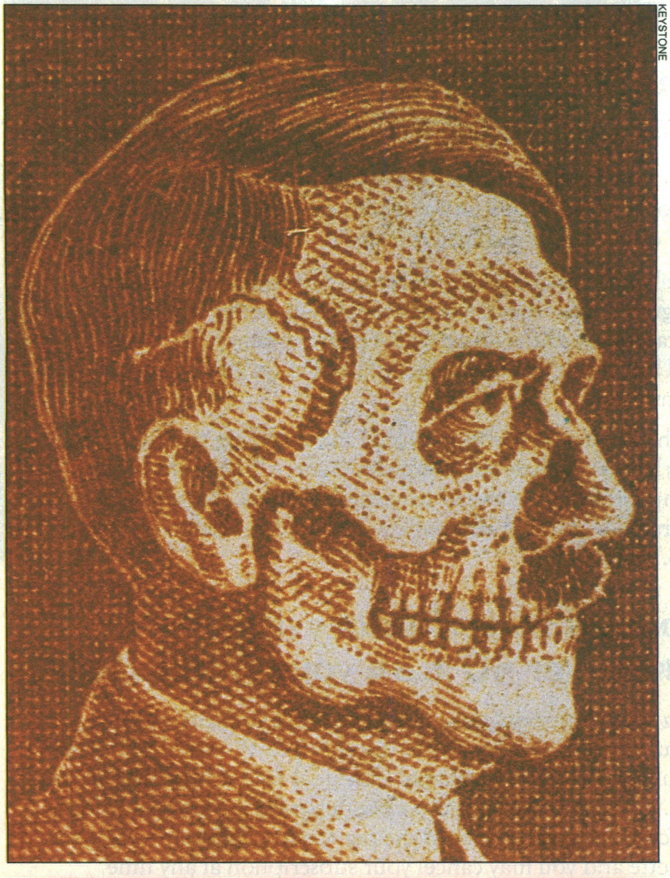
WHO WAS HITLER?



KEYSTONE

THE SCOURGE *No man in history brought about more suffering than Hitler. This is how the* Führer *looked as a piece of British propaganda after an artist retouched a German postage stamp*

Hitler by origin was a nobody, the orphan of a minor customs official, a failed art student, a dropout, a drifter. He was not even, though German-speaking, a German. Born in 1889 at Braunau in the Austrian part of Franz Josef's Austro-Hungarian Empire, he spent his childhood at Linz and an aimless youth in Vienna. Failure took him to Vienna and failure kept him there, from 1906 to 1913. He had failed at school because he failed to apply himself to the academic subjects that would have gained him a leaving certificate, the passport to a career in bureaucratic Austria. He failed in Vienna because he lacked the aptitude for the artistic career he had decided was his métier.

The trial sketches that he produced to secure an entry to Vienna's Academy of Fine Arts were judged too wooden to give any promise of improvement through training. When Hitler transferred his application to the school of architecture, he found that his lack of a school leaving certificate barred him from entry. This refusal planted in him a fierce resentment of experts, professionals and men with paper qualifications that was to dominate his outlook throughout his life. It was not, however, to deter him in his belief that he was an "artist," gifted with a higher understanding than that of ordinary mortals. He had already lost his religious faith and had begun to feel that hatred for the Roman Catholic Church that he would express again and again in his private conversations and writings. Now, he began to transfer his deepest feelings to ideology, through which he could indulge his "artistic" dreaming and imagine a role for himself as thinker and leader.

Vienna hatreds

The ideology that gripped Hitler in his Vienna years was that of Pan-Germanism, the belief that all the Germans of Europe should form one nation. Hitler detested the Hapsburg Empire, of which he was a subject, because its rulers, Germans though they were, had accorded political equality to the empire's non-Germans—Poles, Serbs, Croats, Hungarians, Italians, Slovenes and Czechs—whom the German Austrians had once dominated. Hitler conceived a particular hatred for the Czechs, commercially and intellectually the most successful of the empire's minorities. When he came to inquire why the non-Germans had displaced the Germans from dominance, however, he identified none of the minorities as the villains of the piece but another people altogether—the Jews.

The Hapsburg Empire was not European Jewry's main homeland. That lay in Russia. But Jews were an important minority and in Vienna formed 10 percent of the population. Most were recent immigrants to the city, and poor. It was their poverty that cast Hitler among them, for his determination to lead an "artistic" life meant that he, too, lived without security or fixed abode. By refusing to settle into regular work, and because he eked out a living painting postcards and tepid watercolors, he was reduced to wearing secondhand clothes, acquired from Jewish rag dealers, and sleeping in night shelters while outside poor Jews walked the streets.

He was repelled by their appearance. "One day . . . I suddenly encountered a phenomenon in the long caftan and wearing black sidelocks. My first thought was: Is this a Jew? They certainly did not have this appearance in Linz. I watched the man stealthily and cautiously, but the longer I gazed at this strange countenance and examined it section by section, the more the question shaped itself in my brain: Is this a German? I turned to books for help in removing my doubts. For the first time in my life I bought myself some anti-Semitic pamphlets for a few pence."

There was no shortage of anti-Semitic literature in prewar Vienna, for it was the center of European anti-Semitism. Poor Jews aroused the radical and social contempt of the Viennese. Rich Jews provoked their resentment. Vienna was the center of Jewish success. The great Jewish financiers, the Rothschilds, Warburgs and Bleichroeders, operated elsewhere. But the cultural, literary and philosophical life of Vienna, after Paris, then the principal intellectual center of Europe, was dominated by Jews, who remained Jewish in Austrian eyes even if, like Gustav Mahler, some had converted to Catholicism. The Jews were an unsettling influence, challenging established ideas and proposing new and disturbing philosophies. Prewar 1914 Vienna was the city of Freud, of Trotsky,

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of Wittgenstein. Hitler came to hate them all, even if he did not know their names. "Was there any shady undertaking, any form of foulness, especially in cultural life, in which at least one Jew did not participate?" he was to demand a decade later in his political autobiography, *Mein Kampf.* "On putting the probing knife carefully to that kind of abscess, one immediately discovered, like a maggot in a putrescent body, a little Jew who was often blinded by the sudden light."

Sexual ghosts

The roots of Hitler's hatred of the Jews defy analysis even to this day. It has been suggested that they were sexual. Certainly Hitler's anti-Semitic rhetoric was often crudely sexual in style—"the black-haired Jewish youth lies in wait for hours on end, satanically glaring and spying on the unsuspicious girl whom he plans to seduce, adulterating her blood and removing her from the bosom of her own people"—while his own sexual habits were secretive and semi-incestuous. It has equally been suggested that his anti-Semitism was directly personal—that he nurtured a grievance against the Jewish doctor who had unsuccessfully treated his dying and beloved mother with the gas iodoform—and that his subsequent injury by mustard gas in World War I led him to lay a connection between the two experiences, which at some inarticulate level he used to justify his use of gas as a means of exterminating his Jewish victims during World War II. Such suggestions partake of the Freudianism he despised. If Hitler had a personal reason for resenting the Jews, it most probably lay in their success in entering the world of the professions and the intellect, which his own laziness and intellectual anarchism closed against him.

NATIONAL ARCHIVES

THE CORPORAL *Hitler, left, was a brave and able soldier in World War I. Half-blinded by a gas attack, he spent months in a hospital after the war, tormented by Germany's defeat. "My hate grew against the men who had brought about this crime," he recalled. He decided then to enter politics*

Hitler had gone to Vienna resolved "to become *something,*" but the drifter's life he had embraced there might have condemned him to extinguishing obscurity had it not been for World War I. The war rescued him from self-destruction. It also created the conditions in which a fervent Pan-German nationalist, with an "artist's" belief in his ideological mission, could rise above his disadvantages to enter and eventually dominate the politics of the German world.

One reason Hitler sought obscurity in Vienna was a determination to avoid service in the Hapsburg Army, which, as a subject of the draft, he was obliged to undertake for two years when he became 20, in 1909. The Army was the visible symbol of the Hapsburg state and the glue that held the patchwork of the Austro-Hungarian Empire together. That was what Hitler hated about it. "My inner aversion to the Hapsburg state," he wrote of his last Vienna years, "was increasing daily. This motley of Czechs, Poles, Hungarians, Ruthenians, Serbs and Croats, and always that bacillus which is the solvent of human society, the Jew, here and there and everywhere—the whole spectacle was repugnant to me." In a Hapsburg regiment, Hitler would have been thrown cheek by jowl with all the non-Germans he despised. In the soup kitchens and night shelters where he spent his days and nights, he was semi-invisible, drawing attention to himself only when he embarked on one of his raucous tirades against the objects of his hatred. Eventually, nevertheless, the recruiting authorities got on his trail, and in 1913 he fled Austria for Germany, where he found lodging with a tailor's family in Munich. Timorously—a petit-bourgeois respect for authority always conflicted in Hitler's breast with resentment of it—he later crept back to Linz to argue his way out of his military obligation. From the first moment of his settlement in Munich, however, he "came to love that city more than any other place known to me. A German city! I said to myself. How different from Vienna."

"Pure Germans"

Hitler's surge of identification with Germany proper, the nation of 70 million ruled by the Hohenzollerns from Berlin, was genuine enough. He was to have the opportunity to demonstrate how genuine only a year after arriving in Munich. In June, 1914, a Serbian nationalist murdered the heir to the Hapsburg throne in Sarajevo. Six weeks later, Europe was at war and Adolf Hitler, 25 years old, secured permission as a foreign volunteer to enter a regiment of the German Army and train for the front. The years in Vienna had filled him with the hatreds and rancors that formed the negative and destructive side of his *Weltanschauung,* or world outlook. His life as a soldier was to reinforce his positive emotions—his yearning for brotherhood with others of the "pure German race," and for acceptance by contemporaries in the class he had always aspired to but never managed to join—the well educated, the professional, the "artistic." The 16th Bavarian Reserve Regiment was formed by just such young Germans. The German draft laws exempted high-school and university students from service until their education was complete. At the outbreak of war, however, the exempt were incorporated into new regiments for emergency training. Thus Hitler found himself thrown among the sort of young men whose society he craved but had failed to win by academic effort. Now he sought to win their good opinion by succeeding as a soldier.

Hitler made an excellent and brave soldier. Later, when his enemies sought to denounce him by any means, it was implied that he had fabricated his military record, even invented his medals. This is understandable. Hitler's wickedness, cruelty, contempt for human decencies, systematic perversion of truth drove those he hurt to paint him black all over. Hitler was black in almost every crevice of his being. He reckoned "struggle" the highest of human activities, despised the weak and thought it a duty to trample the unsuccessful even lower down the pyramid of human evolution. Marxism, with its cult of "the masses," he abominated; its philosophy of class warfare he thought a recipe for the victory of the mediocre over the elite. He was deeply influenced by Marxism nonetheless, since he did indeed see life as a field of warfare— but one on which a minority of the racially pure must be led to triumph over their mongrel inferiors. To be a German, he believed, was to be a warrior; and it was the role of the warrior, as he saw it, not merely to fight but to win.

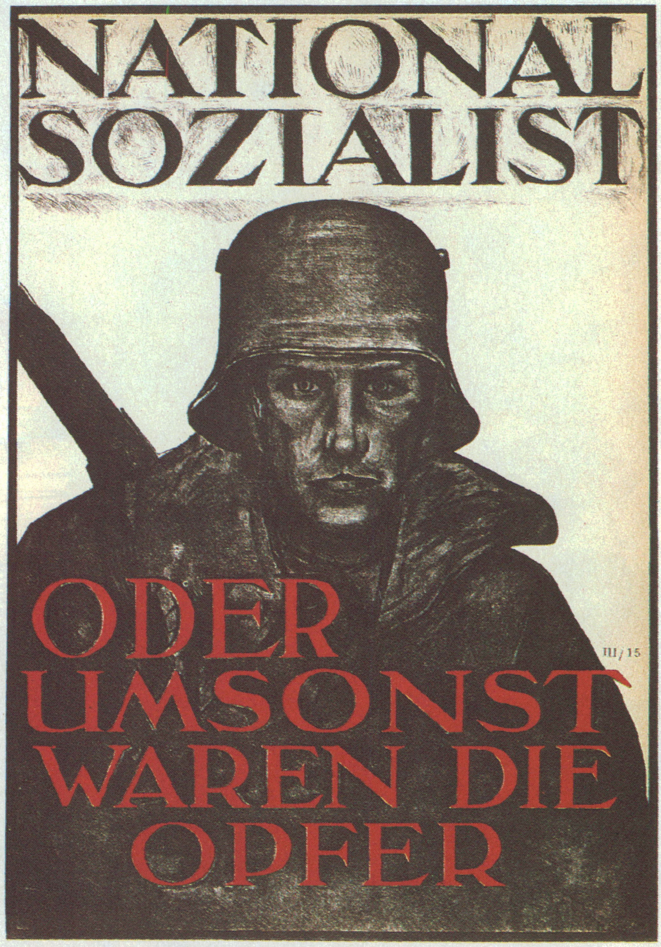
Runner in the trenches

Hitler went off to the front determined to win. In its first battle in Flanders, however, his regiment, and all the others formed of university and high-school students, were massacred in two weeks of fighting in October, 1914. Hitler survived; but the graves of his fallen comrades fill a cemetery at Langemarck, Belgium, which contains nearly as many dead as the United States lost in the Vietnam War. Those terrible two weeks marked Hitler for life. At a stroke he had been deprived of the comradeship of that flower of "young Germany" he had made his racial ideal; he had also been spared to serve as a "loner" among the replacements who filled his regiment after the battle that became known as the *Kindermord bei Ypern*—"the slaughter of the innocents at Ypres."

It was as a loner that the replacements of the regiment remembered him in the four years of trench warfare that followed. Hitler became a message runner; a dangerous job and an individual's one. Across shell-swept ground he carried dispatches between the front line and regimental headquarters—where he won the high opinion of the regiment's officers. He also won medals, in 1914 the Iron Cross Second Class, in 1918 the Iron Cross First Class, a rare decoration for a soldier who never achieved a rank higher than corporal. Though he was extremely proud of his Iron Cross, he could never in later life refute the accusations of those who said he wore it undeservedly, because the citation had been written by a Jewish officer, a Lieutenant Gutmann. He deserved it nonetheless, for he had taken part in 12 battles, served in 25 tours of the trenches and been wounded 3 times. When he was finally evacuated after being gassed in October, 1918, he was one of the few of the 3,000 men of the original regiment who had gone into action in 1914. In four years, the unit suffered 3,754 killed, or over 100 percent of its nominal strength.

The Germany to which the wounded Hitler returned was on the verge of defeat and in the grip of starvation. The Allied blockade had cut off food imports at their source. Faced with defeat and fearful of revolution at home, the German high command accepted the offer of a negotiated peace based on Woodrow Wilson's Fourteen Points, which offered a fair deal to the vanquished as well as to the victors. After the armistice was signed on Nov. 11, 1918, however, the French and British insisted on conditions that went beyond the Fourteen Points. They included major territorial concessions to minority and new states, including the Poles and Czechoslovaks that Hitler so much despised; sweeping measures of disarmament were also demanded. The Rhineland was to be occupied, Germany deprived of an air force and almost all its Navy, while its magnificent Army was to be reduced to the strength of 100,000 men. When the German republican government, which had succeeded the overthrown Kaiser in November, 1918, demanded time to negotiate, the Allies sustained the blockade, bringing killing hunger to German women and children. On June 28, 1919, the German delegates to the peace conference, unable to hold out any longer, signed what Hitler would ever after call the "criminal" treaty in the Hall of Mirrors at Versailles.

Hitler had by then recovered from his gas injury and was working as an "instruction officer," indoctrinating soldiers of the 100,000-man Army against the left-wing politics that were threatening the stability of the infant German republic. Though it had narrowly escaped revolution, Germany in 1919 was riven by political violence. The Communist Party was strong and was locked in a struggle



ANSCHLAGE

THE BLOODY SHIRT *The image is that of a German soldier in World War I. The message: Without a Nazi regime, "the sacrifices were in vain." Hitler was the first leader anywhere to consider propaganda worthy of an entire government department. Joseph Goebbels's Ministry for Popular Enlightenment and Propaganda controlled the press and radio and all other means of expression—film, art and literature*

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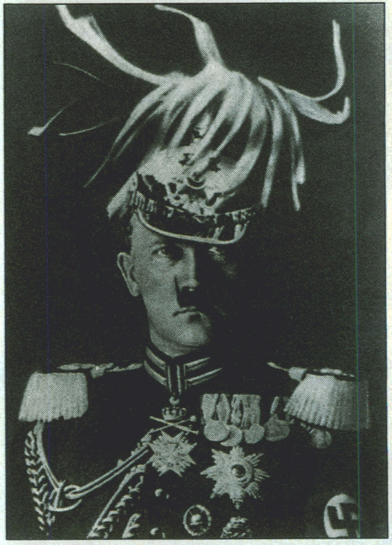
for control of Germany with a network of armed nationalist units, the Freikorps, behind which stood a constellation of right-wing parties, large and small. One of the tiniest was the German Workers Party in Munich, soon to take the title of the National Socialist (Nazi) German Workers Party. Hitler's military employers suggested that he should join in and use it in the right's political struggle against the left.

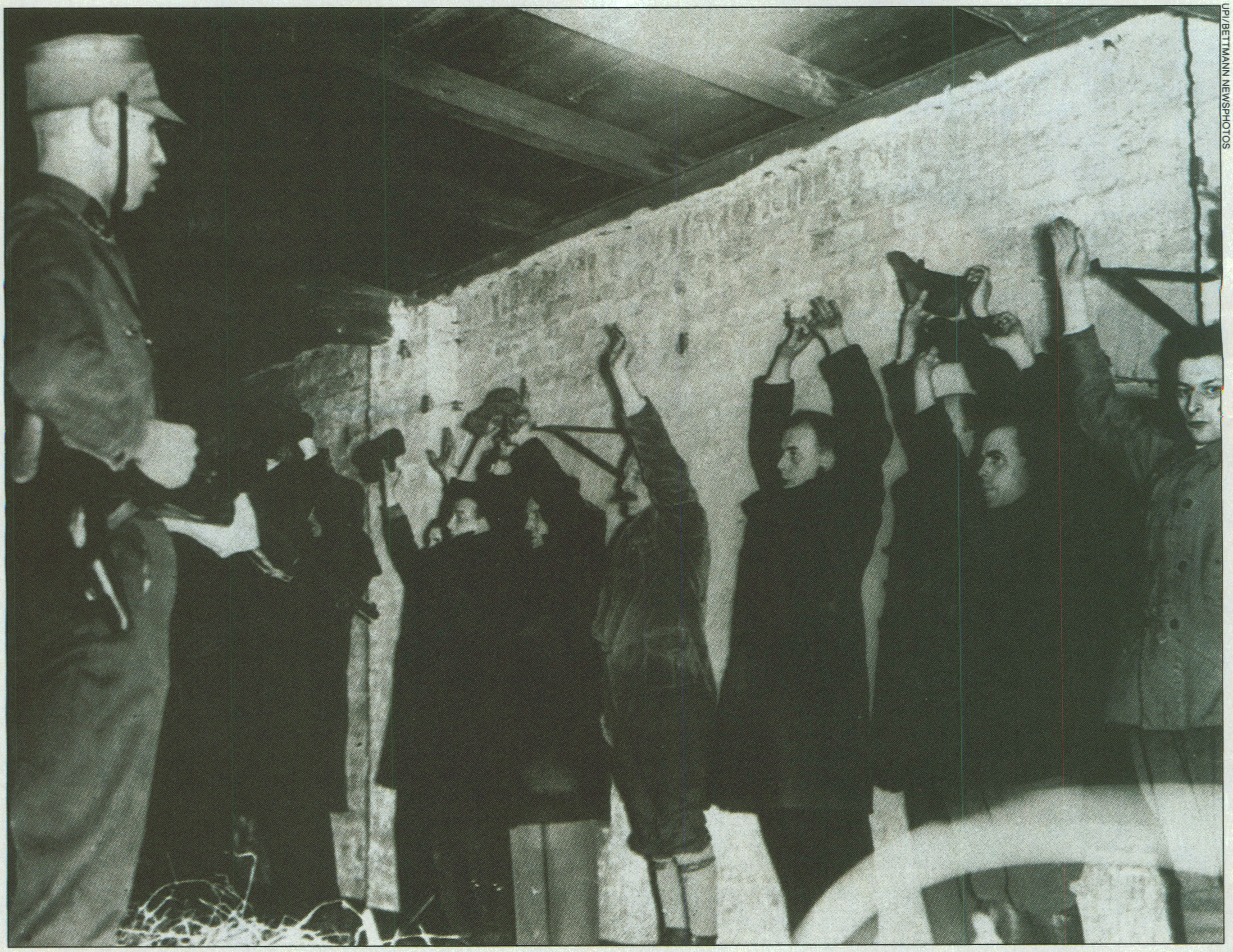
Moving the masses

Hitler became "Party Member No. 7" and was soon devoting his energies full time to Nazi activities. He had discovered that he had an extraordinary talent: He was a political orator of genius. In January, 1932, when he stood on the brink of seizing power in Germany, he would look back to "the time when with six other men I founded [the Nazi Party], when I spoke before eleven, twelve, thirteen, fourteen, twenty, thirty, fifty persons. When I recall how after a year I had won sixty-four members for the movement, I must confess that that which has today been created, when a stream of millions is flowing into our movement, represents something unique in

JOHN HEARTFIELD ARCHIVE COURTESY AKADEMIE DER KUNSTE



As he rose to power, Hitler was a frequent target of Marxist scorn. Communist artist John Heartfield, among the first to put together photomontages, fashioned this portrait of Hitler as a Prussian officer



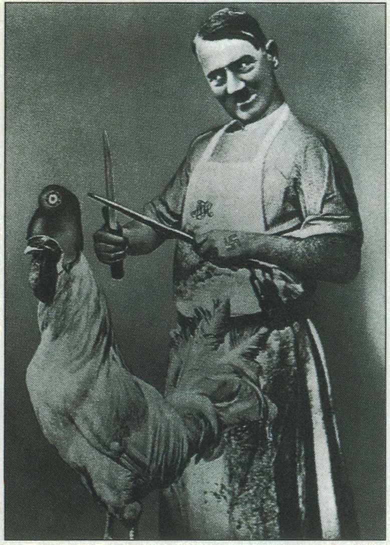
UPI/BETTMANN NEWSPHOTOS

THE RUTHLESS *"Haven't you ever seen a crowd collecting to watch a street brawl?" Hitler once asked a friend. "The man in the street respects nothing more than strength and ruthlessness—women, too, for that matter. The masses need something that will give them a thrill of horror." From such thinking sprang Hitler's storm troopers, a legion of brown-shirted terrorists who delighted in tormenting rivals like these Communists lined up against a Berlin wall in the spring of 1933, shortly after Hitler became Chancellor*

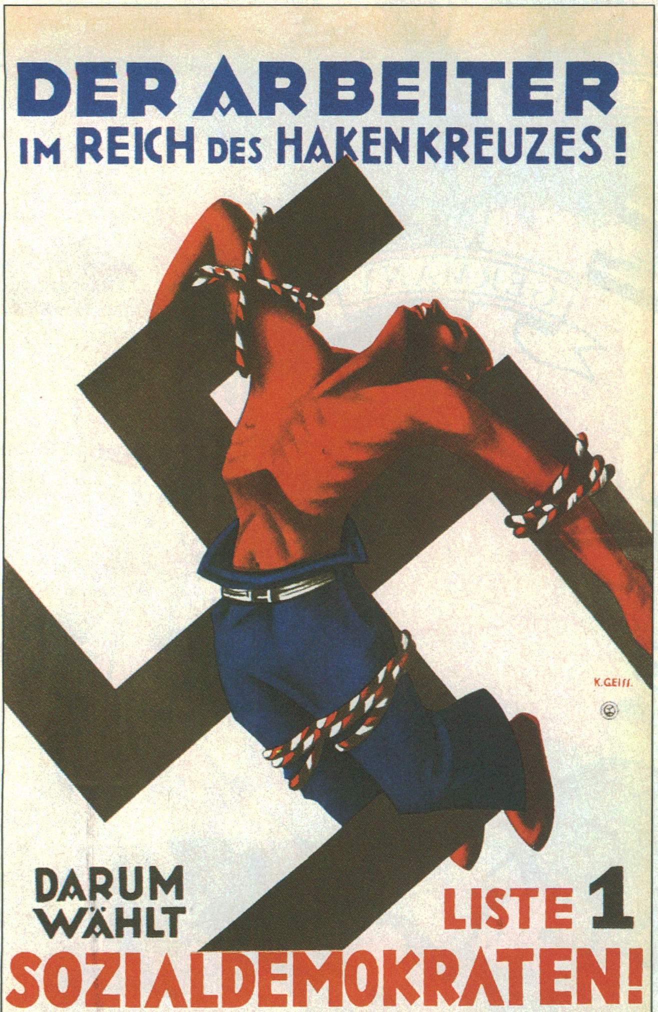
German history. The middle-class parties have had seventy years to work in. Where is the organization which in seventy years has achieved what we have achieved in barely twelve?" The answer to Hitler's rhetorical question is that no German middle-class party, perhaps no party in any country, had ever been led by a speaker with the power to inspire his audiences that Hitler possessed.

Hitler would have been pleased to hear his most authoritative biographer, Prof. Alan Bullock, describe him as "the greatest demagogue in history." Hitler himself said, "To be a leader means to be able to move masses." To do so, he polished his technique. A mirror, before which he rehearsed his gestures, was important to him, as later were pictures by the party's photographer, Heinrich Hoffmann. He also experimented with the acoustics of the various Munich halls, varying the timbre of his voice to suit each, and carefully stage-managed the time of his appearances, delaying to arouse expectancy "but not long enough to arouse hostility." He was one of the first political leaders to recognize the importance of semiotics, the science of symbols. He took enormous trouble

JOHN HEARTFIELD ARCHIVE COURTESY AKADEMIE DER KUNSTE



"Have no fear; he's a vegetarian" was the caption of this John Heartfield photomontage. Such art vanished soon after Hitler took over. He banned not only the Communist Party but also any criticism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IM REICH DES HAKENKREUZES!
K.GEISS
DARUM WÄHLT
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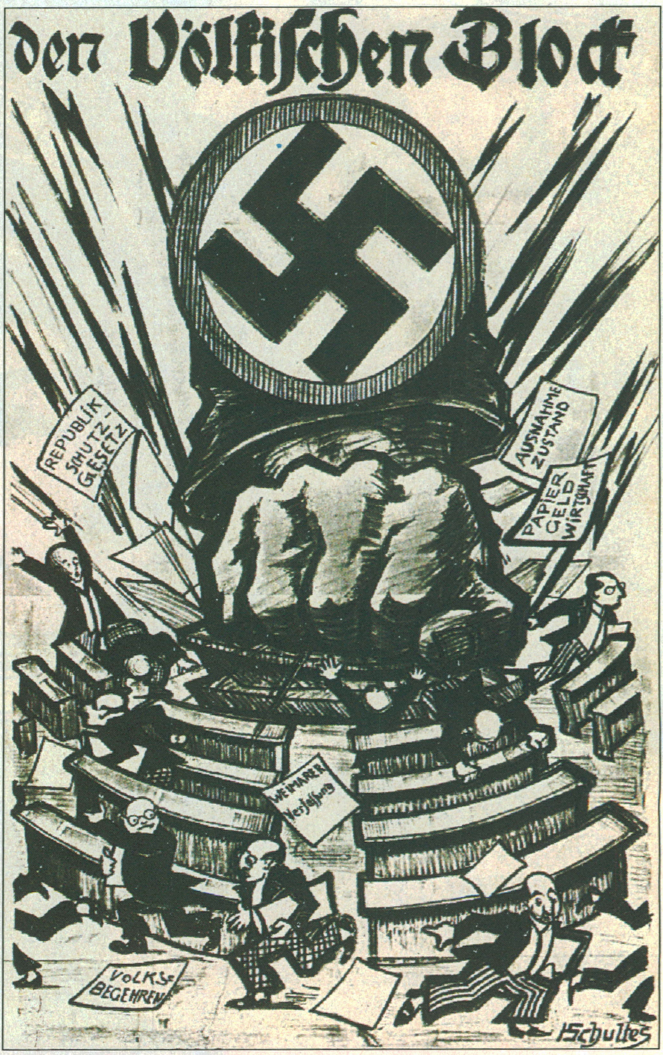
SOZIALDEMOKRATEN!

ANSCHLAGE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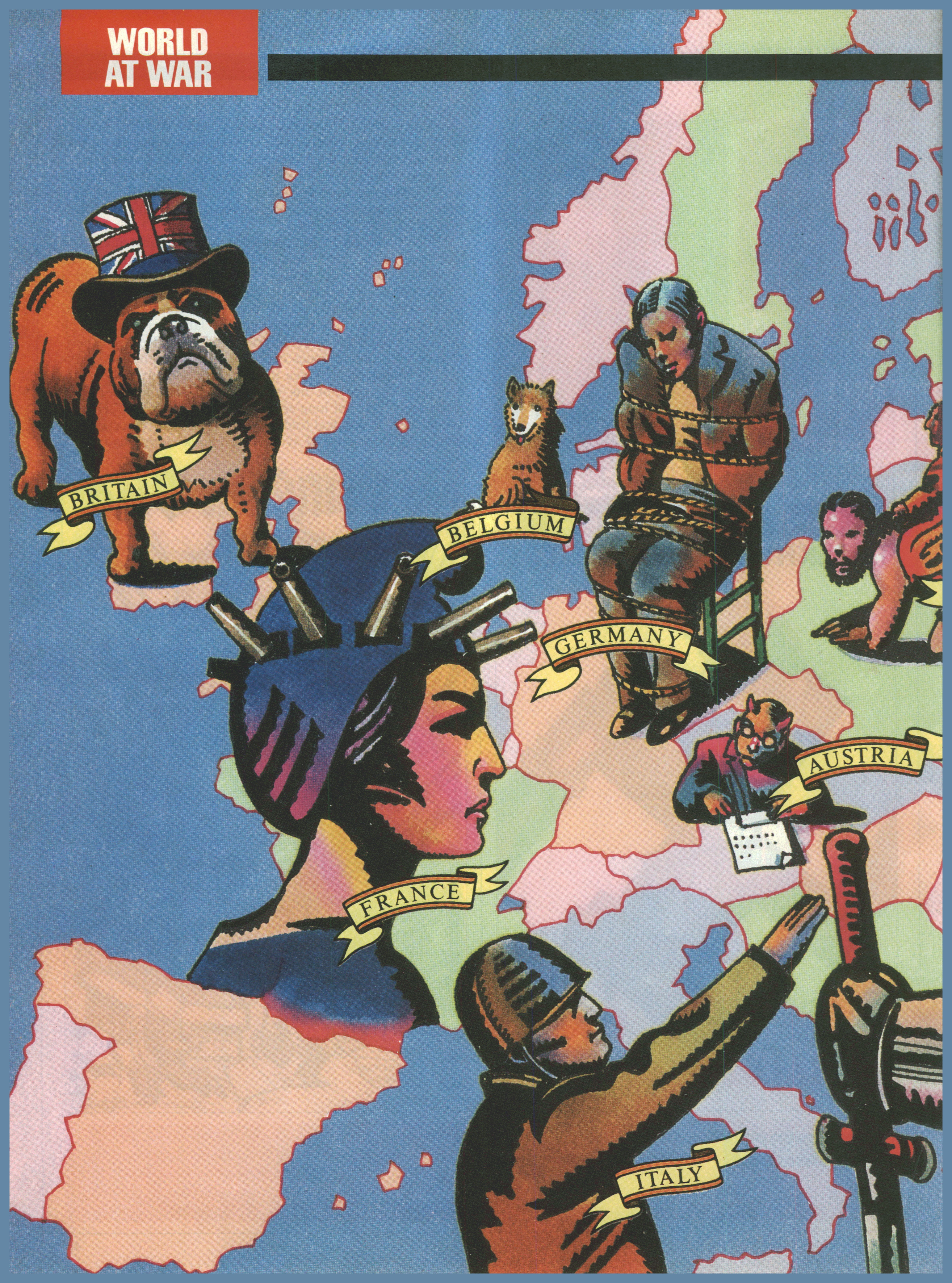
AUSNAHME ZUSTAND
PAPIER GELD WIRTSCHAFT
WEIMARER Verfassung
VOLKS-BEGEHREN
JSchultes

ANSCHLAGE

THE OPPOSITION *Desperate warnings dominated the anti-Nazi messages printed in Germany's fading days as a democracy. The Social Democrats tried to show what would happen to workers in the land of the swastika. The poster with the Nazi fist smashing the forum of democratic government had an urgent command: "Wake up! And vote for the National Bloc!"*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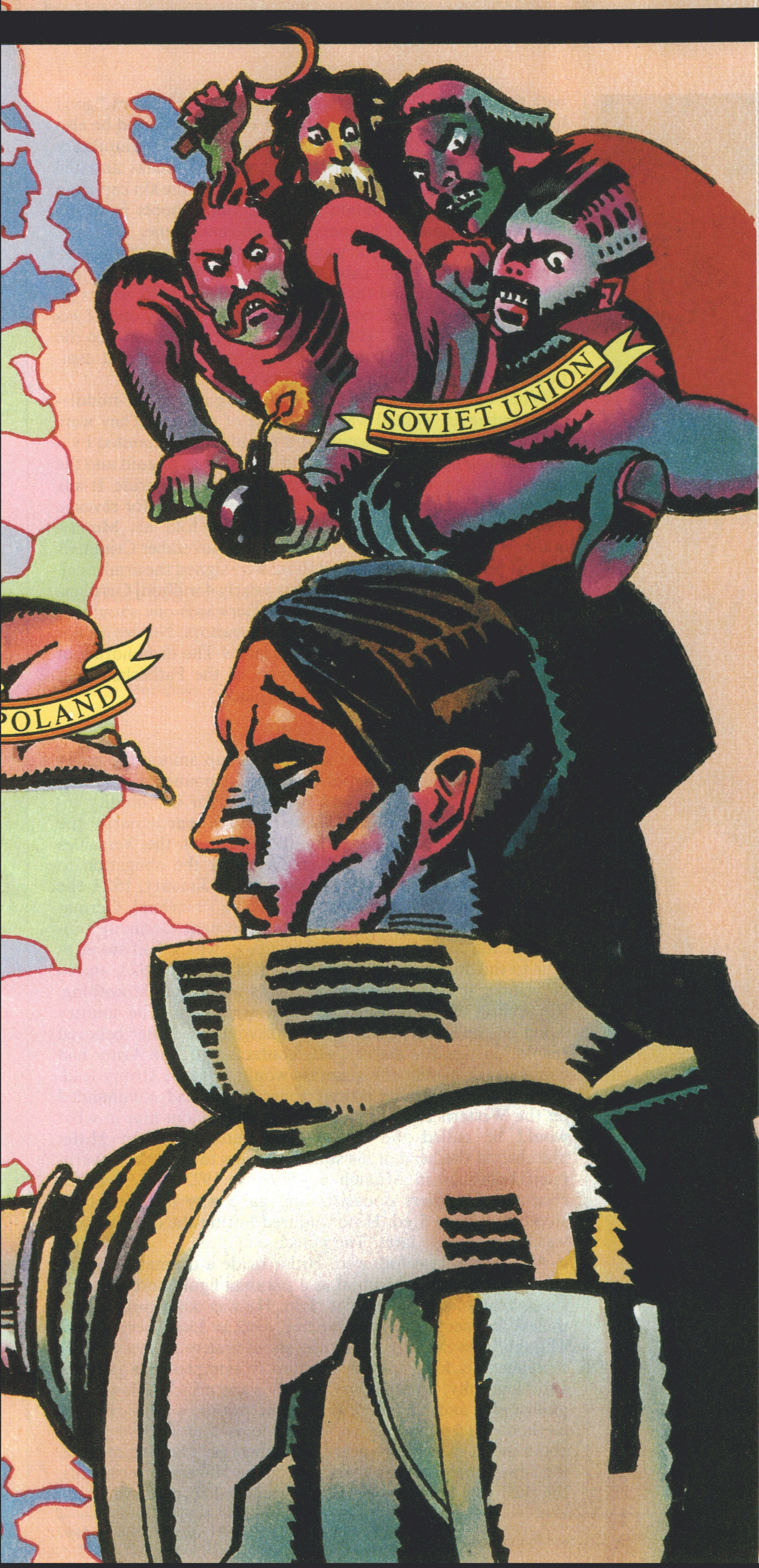


EUROPE, AS HITLER SAW IT

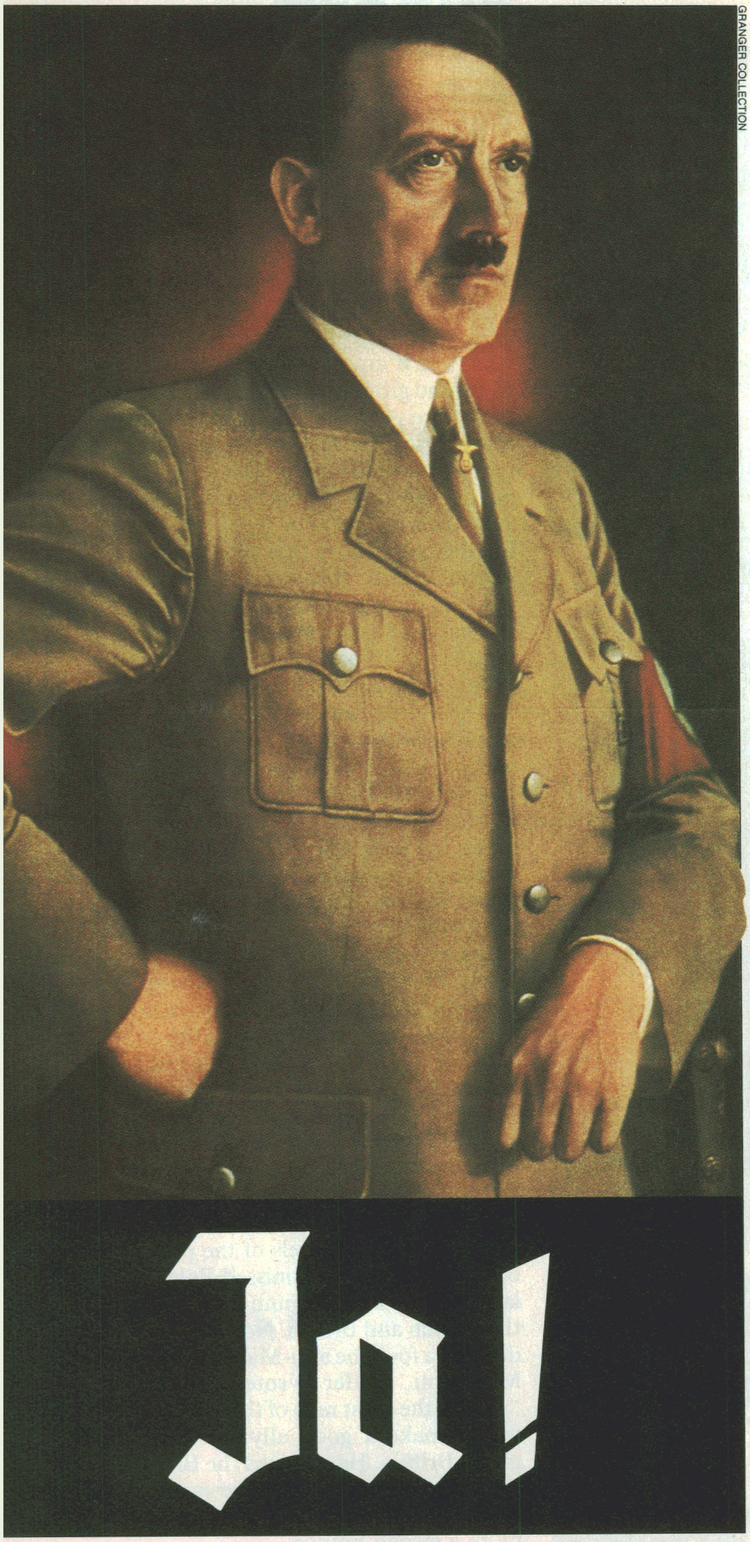
The problem with *Mein Kampf* was that too many people read it in Germany and too few even looked at it anywhere else. In the Third Reich, no gift for a wedding or graduation was more proper than the turgid, shapeless political treatise that made Hitler his nation's richest author. To German readers, *Mein Kampf* promised a bigger, stronger Reich in place of the shriveled and humiliated country that lay in the ruins of World War I. To its handful of foreign readers, the book was a crude warning of the barbaric price Hitler expected mankind to pay for his Deutschland to become "lord of the earth."

The Europe existing in Hitler's mind when he wrote *Mein Kampf* in the 1920s was populated by adversaries and potential victims. The soil of Europe, he declared, "exists for the people which possesses the force to take it." To gain world mastery, he wrote, Germany initially must destroy France, the Continent's "first military power" and "the inexorable mortal enemy of the German people." Then, Germany could "gaze toward the land in the East"—Russia—ruled by "common bloodstained criminals . . . the scum of humanity." Their Marxist revolution, he said, was "an attempt by the Jews . . . to achieve world domination."

His "most ardent and heartfelt wish" was the union of his native Austria with Germany. Vienna suffered many ills, he said, including a "conglomeration of races" and "scoundrels of the press." In other writings, he dismissed Poland as a land of serfs and Belgium as a lap dog of the French and British. Not everyone was deemed a foe. The anti-Marxism of Italy's Mussolini, Hitler wrote, placed him "among the great men of this earth." Italy would make a good ally, he added, as might Britain. He admired the British for building an empire "with the sword" and felt London would prefer a strong Germany to a strong France.

How did Hitler view himself? He gave a clue when he told how Russia would be conquered: "The new Reich must again set itself on the march along the road of the Teutonic Knights of old, to obtain by the German sword sod for the German plow and daily bread for the nation." ■

Illustration by Milton Glaser for *USN&WR*



GRANGER COLLECTION

THE LEADER *Hitler favored propaganda in black-and-white terms with only a few simple themes. Thus, this carefully posed poster from 1938 carried one word: "Yes!" Another poster with the same photograph read: "One people, one Germany, one* Führer!*"*

with the design of the swastika, the mysterious Eastern "good luck" insignia that became the badge of the Nazis, and he also picked the items that clothed and identified his semimilitary entourage of brown-shirted storm troopers—khaki and the Sam Browne belt from the victorious British, the ski cap from the elite Tyrolean mountain riflemen, riding boots from the officer class, legionary banners from ancient Rome.

Ultimately, however, it was neither the tricks nor the costume of the stage that galvanized Hitler's audiences but the magic of his voice and the message it carried. "His words go like an arrow to their target," said Otto Strasser, one of his early Nazi associates. "He touches each private wound on the raw, liberating the unconscious, exposing its innermost aspirations, telling it what it most wants to hear."

What the Germans of Hitler's working and lower-middle-class audiences wanted was a message of revenge. They were the survivors or the bereaved of a population decimated by a war that had brought it nothing but accusations of guilt and the loss of territory, military sovereignty and national pride. It was a message Hitler was eager to deliver. His passion for revenge was consummate. On Sept. 18, 1922, he told his Munich audience, "We want to call to account the November Criminals of 1918 [as he always described those who signed the armistice]. It cannot be that 2 million [in reality nearly 4 million] Germans should have fallen in vain and that afterwards one should sit down as friends at the same table with traitors. No, we do not demand pardon, we demand—vengeance! The dishonoring of the nation must cease. For betrayers of the Fatherland and informers, the gallows is the proper place."

The putsch that failed

By 1923, the Nazis were a sizable group among the many right-wing nationalist parties that were denouncing the moderate Berlin government and berating it for its timidity toward Britain and France. The victors, particularly the French, were insisting on the fulfillment of the Versailles Treaty clauses that imposed on Germany the obligation to pay reparations for the costs of the war. In January, 1923, the French, to enforce payment, occupied the Rhineland, Germany's economic heart. The occupation brought Germany's industrial life almost to a halt. The mark, which had stood at four to the dollar in 1914, fell to 160,000 in July, 1923, and in November to 130 trillion. Workmen's wages bought nothing, the savings of the middle class were wiped out. The country stood on the brink of collapse—or revolution. Hitler believed revolution was the answer. His contacts with the Army had convinced him that the generals would follow a strong lead. Erich Ludendorff, the retired general who had commanded on the Western Front in 1916-18, agreed to join him in what would be called the "Beer Hall Putsch." When Hitler marched at the head of his storm troopers to seize the government buildings in Munich on Nov. 9, 1923, however, the cordons of soldiers opposing him gave way but the police stood fast. They fired. Hitler, injured hitting the dirt, fled and was arrested days later. The putsch collapsed.

At the trial that followed, Hitler made a dramatic appearance, which established him as a national figure and a leading spokesman of the nationalist right. He was condemned nonetheless and sentenced to serve five years in Landsberg prison. Though he eventually spent only about nine months there, the sentence was long enough for him to complete his political autobiography, *Mein Kampf,* which is the principal key to his philosophy and the most important outline of his political method. The philosophy is the same as that he had ranted about in his speeches to beer-hall audiences: The Red menace, the Jewish menace, the treachery of the November criminals, the purity of German blood and the need to preserve it, the

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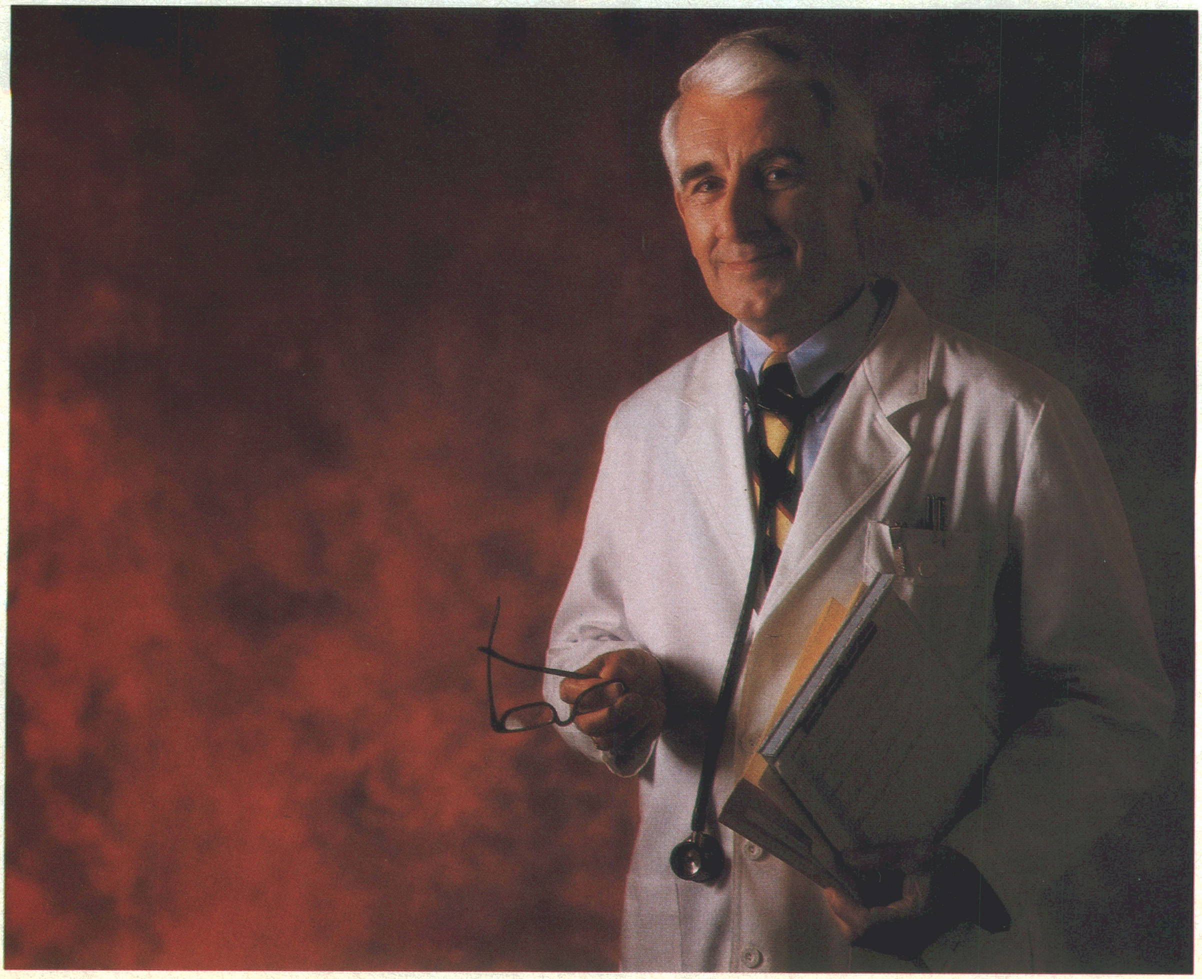

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destiny of the Germans to rule the inferior peoples and their right to possess "living space" (Lebensraum) in their "natural" area of expansion in Eastern Europe and Russia.

The outline of his political methods is much more original, above all in what it has to say about propaganda. Hitler was the first political leader to admit to—and to glory in—the use of falsehood to capture and hold a following. "The receptive power of the masses are very restricted, and their understanding is feeble," he wrote. "On the other hand, they quickly forget. Such being the case, all effective propaganda must be confined to a few bare necessities and then must be expressed in a few stereotyped formulas . . . Only constant repetition will finally succeed in imprinting an idea on the memory of a crowd."

It does not matter, the future *Führer* believed, if the idea is true or false, only that it serve the politician's purpose. A false idea—that, for example, the Jews had deliberately brought about Germany's defeat in World War I—may actually serve him best of all. But the lie must be told often and with bravado. It must be "a big lie." "The masses," he went on in *Mein Kampf,* "more readily fall victim to the big lie than the small lie, since they themselves often tell small lies . . . It would never come into their heads to fabricate colossal untruths and they would not believe that others have the impudence to distort the truth so infamously."

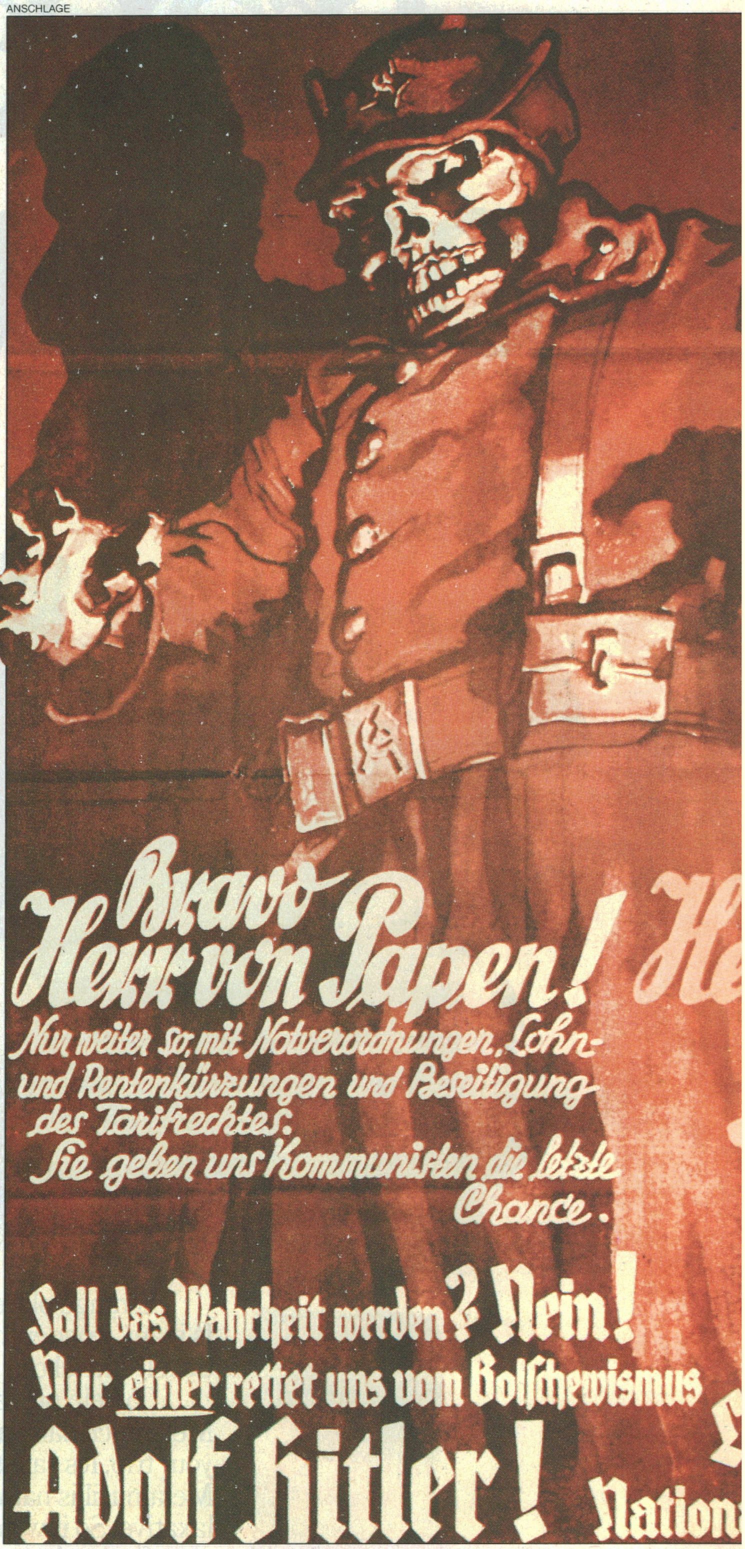
When Hitler emerged from prison in December, 1924, he was resolved to win power for the Nazi Party not by revolt—which he saw the state would crush—but by propaganda and political action. He decided to lead the party to a majority in parliament, much as he despised parliamentary institutions ever since he had watched the Austrian parliament debating before World War I. From 1925 to 1930, conditions in Germany did not favor him. The economy had revived, the Allies had made the payment of reparations easier, the "Red menace" had receded as prosperity returned. But in 1931 the effects of the world slump, which had begun with the American stock-market crash of 1929, hit Germany violently. Banks collapsed, businesses ceased trading, men were thrown out of work in the millions—a million and a half in 1931 and an additional 2 million in 1932, when unemployment stood at 6 million in a working population of 20 million.

The scent of revolution—Red revolution—was in the air again. The Communist Party had its own political militia, the Red Front, to match Hitler's storm troopers, and it was as violent as the Nazis, if not more so. Of the 86 people killed in street fighting in Prussia, the largest province of Germany, in July, 1932, 30 were Communists and 38 Nazis. These were serious battles. Horst Wessel, the storm-trooper martyr whose name was to give the Nazis their marching song, was killed by the Communists in a skirmish involving illegal firearms.

The currency of power

The specter of Red revolution worked to increase the Nazi vote in the succession of elections held between September, 1930, and July, 1932, as one weak government after another fell. In the last the Nazis secured 37 percent of the votes cast. More important to the Nazis, however, was the mood of the generals. Hitler, ever since the failure of the Beer Hall Putsch, had resolved not to oppose the Army in the streets. Now the Army began to swing to his side. Field Marshal Paul von Hindenburg, Germany's World War I hero, was President. Franz von Papen, the Chancellor, was a representative of the officer class. Kurt von Schleicher, head of the Army's political department, had become the chief power broker in the country. The elections of November, 1932, when the Nazis suffered a small fall in votes as the troubled electorate swung between the "big lies" of the left and right, convinced the Army it must throw its weight behind Hitler to save Germany from the Reds. In January, 1933, as the

ANSCHLAGE


Bravo
Herr von Papen!
Nur weiter so, mit Notverordnungen, Lohn- und Rentenkürzungen und Beseitigung des Tarifrechtes.
Sie geben uns Kommunisten die letzte Chance.
Soll das Wahrheit werden? Nein!
Nur einer rettet uns vom Bolſchewismus
Adolf Hitler!
Nation

THE ENEMY *Just as Hitler's picture was on nearly every German street corner, so was that of "the Red Terror," an ever threatening theme of Nazi propaganda. This poster's message: "Only one man can save us from the monster of Bolshevism—Adolf Hitler"*

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leader of the largest (though not the majority) party in parliament, he was offered the Chancellorship by Schleicher and became head of the German government.

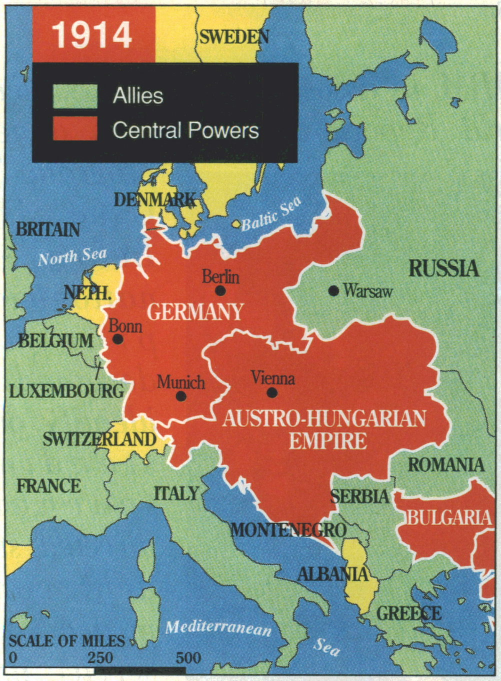
Hitler now revealed his possession of another talent—the capacity to turn partial power into absolute power. New elections, a new Constitution and a Nazification of society were his instruments. New elections, held in March, did not quite bring him a majority, though he harped heavily on the dangers of voting for any but Nazi candidates. His plurality, however, was large enough to get parliament to pass on March 23 an Enabling Act, which allowed him to make laws simply by signing his name. Once the Enabling Act was in place, he proceeded to Nazification, called *Gleichschaltung,* or "coordination." That meant that every organ of German life—schools, universities, the professions, trade associations, the judicature, even the Lutheran Church—was taken under the control of Nazi appointees.

Only the Army was spared. It was still the strongest force in Germany and cherished its status of *überparteilichkeit*—"being above party." Hitler desired its good will so greatly that in June, 1934, he decided to suppress his own storm troopers, who had done so much to foster the street violence that had frightened the right-wing electorate into giving the Nazis votes. But many respectable Germans had now become frightened of the storm troopers' brutish ways and their demands that the "socialist" promise of National Socialism, including expensive benefits for the working man, now be implemented. The Army, too, was frightened by the storm troopers' commands to be admitted as full members. It did not want to be swamped within a people's army of brownshirts a million strong.

Hitler responded with a ruthlessness that was fearsome. On the night of June 30, 1934—thereafter "the Night of the Long Knives"—he sent his personal bodyguard of SS men, under their sinister leader, Heinrich Himmler, to arrest the leaders

HOW ONE WAR ENDED AND ANOTHER STARTED

GARY VISGAITIS—USN&WR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DENMARK
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BRITAIN
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NETH.
Berlin
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GERMANY
BELGIUM
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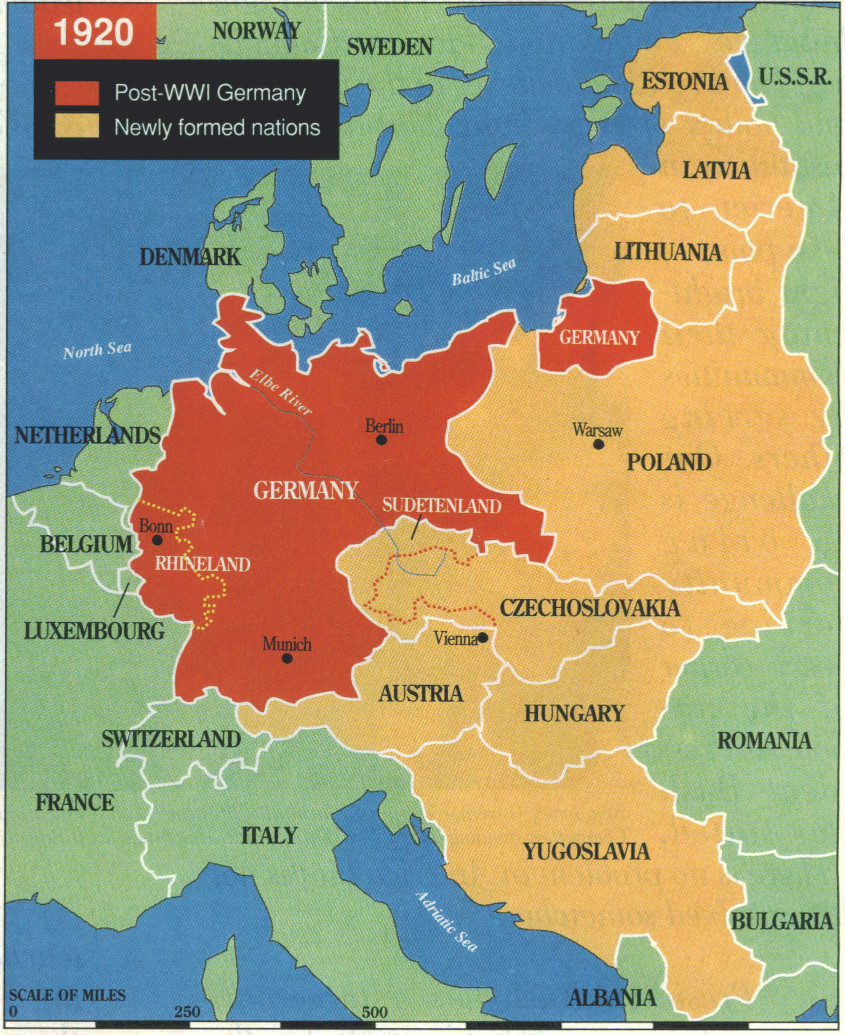
1920
🟥 Post-WWI Germany
🟨 Newly formed nations
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SWEDEN
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LATVIA
LITHUANIA
DENMARK
Baltic Sea
GERMANY
North Sea
Elbe River
Berlin
Warsaw
NETHERLANDS
POLAND
GERMANY
SUDETENLAND
Bonn
BELGIUM
RHINELAND
LUXEMBOURG
CZECHOSLOVAKIA
Vienna
Munich
AUSTRIA
HUNGARY
SWITZERLAND
ROMANIA
FRANCE
ITALY
YUGOSLAVIA
Adriatic Sea
BULGARIA
ALBANIA
SCALE OF MILES
0
250
500

ROOTS AT VERSAILLES

Germany signed the Treaty of Versailles with 19 minutes left in a sign-or-be-invaded ultimatum—one reason Hitler called the pact the "Diktat von Versailles." Even Winston Churchill urged its revision, seeing in it the roots of war. The treaty reduced Germany's borders, gave away its colonies, disarmed it and made it pay reparations for "causing all the loss and damage" of World War I

A WEAKER REICH *Versailles redrew the map of Europe, and Germany provided many of the new parts. Poland, which did not exist at the start of World War I, was created, partly out of what had been Germany's Prussia. Alsace-Lorraine went to France and other territory to Belgium. The League of Nations took charge of such German-peopled places as the Saar, Danzig and Memel*

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Governor Kean President's “Poi

Committed individuals and institutions are working together to solve our nation's problems

I am honored to have been chosen by President Bush to head his “Points of Light Initiative” Foundation Advisory Committee. The President believes in the readiness and ability of every individual and every institution in America to be a point of light brightening their communities by serving others. Our challenge is to bring community service to every corner of the nation. As President Bush has stated, “There is no problem in America that is not being solved somewhere.”

New Jersey Governor Thomas Kean, head of President Bush's “Points of Light Initiative” Foundation Advisory Committee, standing among New Jersey grade school students (Bridgewater Courier-News)

President Bush has a three-part strategy to accomplish his goals for the “Points of Light Initiative.” First, he has issued a call to each individual and institution in America to claim problems as their own. Second, the Foundation will identify, enlarge and recreate what is working. And third, it will discover and encourage new leaders.

IBM, in association with U.S. News & World Report, is engaged in a new program “To Give And Learn”–a nationwide program designed to identify outstanding teacher-directed student community service programs in grades K through 12.

“To Give And Learn” honors those teachers and students dedicated to bettering their communities and themselves through service and encourages others to do the same. This is an exciting example of what President Bush and I mean by points of light–committed individuals and institutions working together to solve our nation's problems.

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“To Give And Learn”
Information and Application

Eligibility: Anyone may nominate any teacher-directed kindergarten through 12th-grade student community service project.

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Selection: Applications will be evaluated by representatives of the National Education Association, the American Federation of Teachers, the National Catholic Educational Association and the National Association of Independent Schools.

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Each program's school will receive an IBM classroom computer network, consisting of 20 Personal System/2® Model 25 computers, one PS/2® Model 60 file server, four IBM Proprinters™ and a library of IBM educational software.

To Apply: For an official form, complete and mail this application to “To Give And Learn,” 599 Lexington Avenue, 12th Floor, New York, NY 10022.

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IBM courseware developed with teachers for teachers

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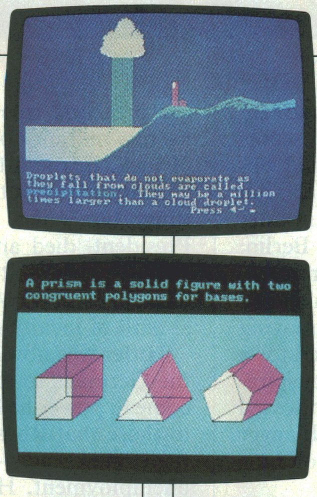
And with good reason.

**Developed by Dr. John H. Martin*



Droplets that do not evaporate as they fall from clouds are called precipitation. They may be a million times larger than a cloud droplet.
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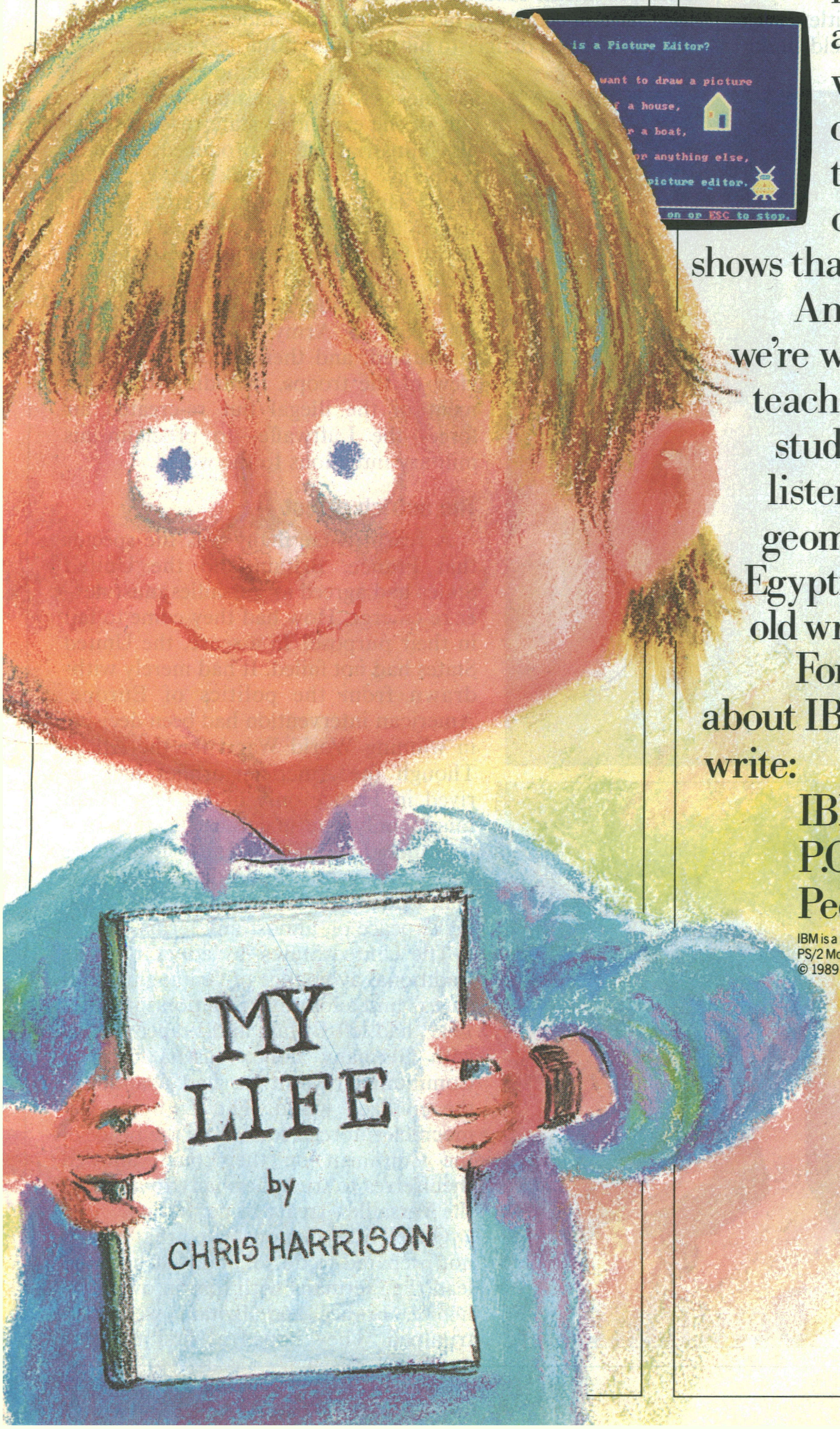


is a Picture Editor?
want to draw a picture
f a house,
r a boat,
or anything else,
picture editor.
on or ESC to stop.

of the storm troopers and put them to death. He took advantage of the staging of this "Blood Purge" to settle old scores with Nazi Party enemies and with non-Nazis who had opposed him in the *Kampfzeit*—the "years of struggle." An onlooker described him choosing the victims with Himmler and Hermann Goering at Tempelhof Airport in Berlin: "From one of his pockets Himmler took a long, tattered list. Hitler read it through, while Goering and Himmler whispered incessantly in his ear. We could see Hitler's finger moving slowly down the sheet of paper. Now and then it paused for a moment at one of the names. At such times the two conspirators whispered even more excitedly. Suddenly Hitler tossed his head. There was so much violent emotion, so much anger in the gesture, that everyone noticed it." By the end of June 30, more than 2,000 of Hitler's enemies were dead.

The Blood Purge cowed German opposition to Hitler, even though at the last election he had allowed to be held under the pre-Nazi rules, in March, 1933, he had failed, if by a narrow margin, to win an outright majority of votes. A stroke of luck, in the aftermath of the Blood Purge, confirmed his constitutional authority over all Germans, opponents and supporters alike. On Aug. 2, 1934, Hindenburg, the aged President, died and Hitler at once assumed the headship of state. A plebiscite confirmed him in the office of *Führer* (Leader) and the Army was ordered to swear an unconditional oath of loyalty to his person.

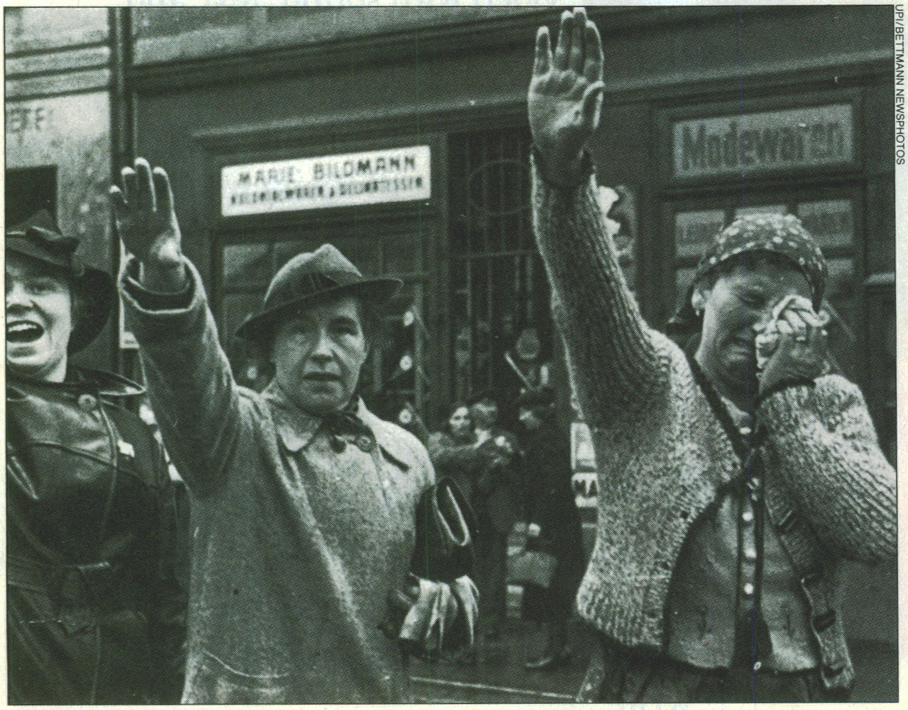
Hitler was now ready to turn from imposing his power over the Germans to extending it into Europe. As soon as he had come to power he had introduced economic measures—similar to those that Roosevelt was imposing under the New Deal in the United States—designed to revive the economy and reduce unemployment. Had Hitler been dedicated merely to curing the German economy, his rule, however undemocratic, would not have been a danger to his neighbors. But he, of course, was concerned with economic recovery only as a means to make Germany great again. Out of the expanded state revenues that his industrial effort produced, he was ready by 1935 to break the Versailles Treaty and rearm. On March 17, he staged a magnificent ceremony in the Berlin Opera House where, with the last Field Marshal of the Imperial German Army at his side, he announced that the 100,000-man Army would at once be quintupled, and then outside held a review of the troops, including a detachment of the illegal but re-created air force—the Luftwaffe—to proclaim his military intentions to the world.

The ostrich effect

A rearmed Germany was the specter that France, Britain and the United States had agreed at Versailles must never re-emerge. How had they come to fail in their purpose? In a sense, the United States had not failed. It had merely withdrawn from the politics of Europe. American intervention had been decisive in winning World War I for the Allies. Though the American armies had arrived in France only in 1917, and had fought only one major battle, their appearance had disheartened Germany's war-weary soldiers and driven the German leaders to recognize that they must make peace on almost any terms.

The United States, by adhering to its traditional avoidance of "entangling alliances" and adopting "isolationism" after 1919, had left Britain and France to deal with Germany alone. Austria, torn by Communist revolution, had abandoned the civilized world. The European democracies, forced to oversee the peace of the Continent on their own, allowed themselves to trust Germany to abide by the Versailles Treaty in perpetuity.

Once Hitler demonstrated that he was not prepared to do so, and that he could lead the Germans with him in overturning it, France and Britain were outtrumped. They hoped at first that the



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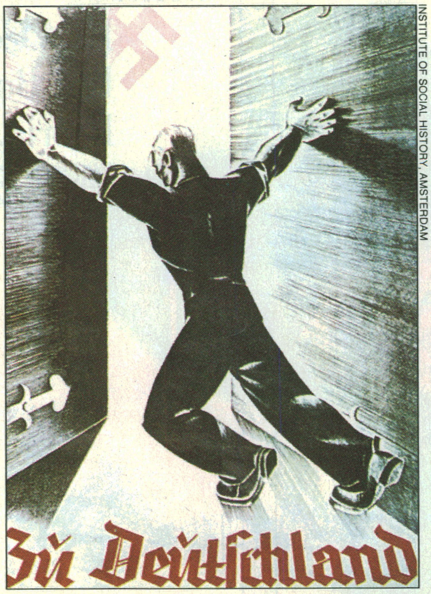

INSTITUTE OF SOCIAL HISTORY, AMSTERDAM

A BIGGER REICH *Emotions ran high when Nazi troops seized Czechoslovakia's Sudetenland in Hitler's quest for "one Deutschland" for all the German-speaking peoples of Europe. The 3 million Sudetenlanders of German descent formed one of several minorities in neighboring Czechoslovakia, a nation created by the peace treaties of 1918. After Hitler came to power, a small but noisy Nazi movement developed in the Sudetenland. The* **Führer** *soon was vowing that his Reich would "protect those German peoples who live along its frontiers and cannot, by their own efforts, secure their political and spiritual freedom." When he grabbed the Sudetenland, and then Czechoslovakia, Central Europe's most prosperous democracy perished*

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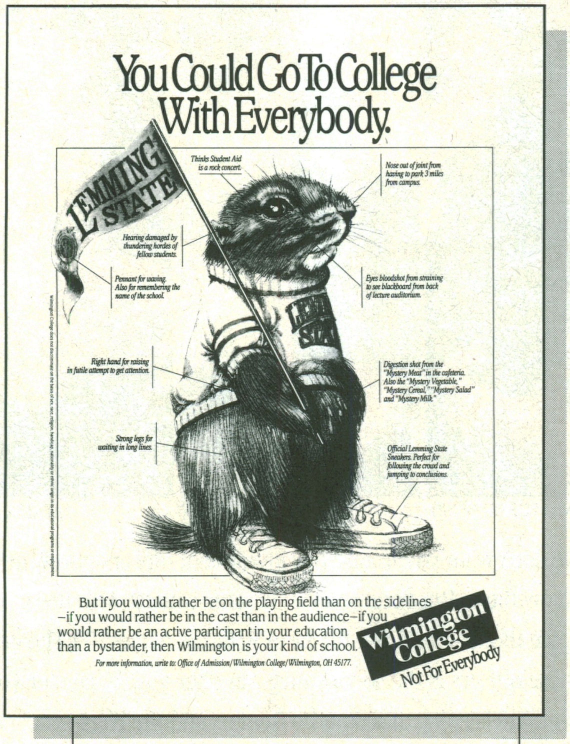
How MNI Taught A Lemming To Leap And Put Wilmington College On The Map:



You Could Go To College With Everybody.

Thinks Student Aid is a rock concert.

Nose out of joint from having to park 3 miles from campus.

Hearing damaged by thundering hordes of fellow students.

Pennant for waving. Also for remembering the name of the school.

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Digestion shot from the "Mystery Meat" in the cafeteria. Also the "Mystery Vegetable," "Mystery Cereal," "Mystery Salad" and "Mystery Milk."

Strong legs for waiting in long lines.

Official Lemming State Sneakers. Perfect for following the crowd and jumping to conclusions.

Wilmington College does not discriminate on the basis of sex, race, religion, handicap, nationality or ethnic origin in its educational programs or employment.

But if you would rather be on the playing field than on the sidelines —if you would rather be in the cast than in the audience—if you would rather be an active participant in your education than a bystander, then Wilmington is your kind of school.

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Wilmington College
Not For Everybody

Once upon a time, Wilmington College was a little-known liberal arts school in the southwestern corner of Ohio. It had provided a fine education to generations of students. Its graduates had gone on to great success in business and the arts. Its teams had won national and conference championships. It was no wonder that Wilmington thought of itself as a very special college.

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So, one day, the P.R. Director, a bright young fellow from the West Coast, hired an equally smart advertising agency and the rest is history.

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"It would cost a FORTUNE!" he replied.

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Thanks To MNI, A Giant Leap For Wilmington College.

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"Boy, with the response those MNI ads are getting, Wilmington is going to be a huge college soon!" gushed the account guy from the agency.

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League of Nations, the international peacekeeping organization set up at Woodrow Wilson's behest in 1919, would preserve international order. But the League, which commanded no peacekeeping force—and from which Hitler removed Germany in October, 1933—failed throughout the 1930s to achieve the ends for which it was created. In 1931, it had failed to prevent Japan from occupying Chinese Manchuria. In 1936, it failed to prevent Benito Mussolini's Italy—Hitler's fellow racist power—from conquering Ethiopia. In 1937, it failed to deter Italy and Germany from assisting the military revolt led by Franco against the republican government in Spain. In the same year, it failed to curtail Japan's extension of its aggression from Manchuria into the heartland of China.

Britain and France had therefore to look to their own military resources to keep Hitler in check. They were inadequate. France, which had lost nearly 2 million dead in World War I, had put its trust in deterring Germany from waging a future war in Europe by the construction of an enormous fortification on the Franco-German frontier, the Maginot Line, begun in 1931. It had also constructed an alliance system on Germany's eastern frontier with the states that the Versailles Treaty system had brought into being in 1919—Poland, Czechoslovakia and Yugoslavia. The British, whose main strategic effort remained as always a novel one, hoped to constrain Hitler by supporting France in those alliances.

Sizing up Stalin

By the beginning of 1939, it was clear that hopes of "appeasement" were failing. Hitler, who had an unerring instinct for the weakness of his opponents, had already sent German troops, in defiance of the Versailles Treaty, into the demilitarized Rhineland in 1936. Early in 1938, he had engineered a political crisis in Austria that allowed him to send troops there

AMERICA'S DECADE ON THE SIDELINES

A WAR FOR OTHERS TO FIGHT

In March of 1933, when Franklin Roosevelt first became President, Hitler was starting only his second month as Chancellor of Germany. Yet his brown-shirted storm troopers already were beating Jews, and his secret police would soon turn an old gunpowder factory at Dachau into a concentration camp. Hitler and his Nazis were gangsters, the President observed from afar, and ultimately someone would have to restrain them.

But those were FDR's private words, and they remained private for years. Even though he admired the big-stick diplomacy of his cousin Theodore Roosevelt, he knew that America wanted to spend the 1930s on the world's sidelines, as it did in the isolationist '20s. For the United States, the main crisis was the one at home, the Great Depression, which generated a decade not only of despair but also of cynicism. Americans had gone off to fight for liberty and democracy in another global war less than 20 years earlier, and who now could say that the world was better off?

AP

THE ISOLATIONIST *Air hero Lindbergh saw a Germany that couldn't lose. Hitler gave him a medal. Roosevelt rebuked him as a defeatist and an appeaser*

As the '30s wore on, reports of aggression from across the seas—the Japanese in Manchuria, the Italians in Ethiopia, the Nazis in Europe—prompted Congress to insulate the country with neutrality laws forbidding trade with any side in a conflict. Roosevelt called in 1937 for a quarantine of aggressor nations, but a poll that year showed only 1 American in 20 willing to go to war.

By 1940, the war-or-peace issue was dividing the nation. The America First Committee paraded against U.S. involvement, and its most famous backer, Charles Lindbergh, asserted that Britain should sue for peace. Another aviator, Laura Ingalls, pelted the White House with peace leaflets. Interventionist groups countered with rallies in hundreds of towns. One pro-war handbill carried a photo of Hitler and the message WANTED DEAD OR ALIVE.

Once Hitler conquered Paris and began bombing London, the U.S. public woke up to the Nazi threat. For the first time, polls showed most Americans behind FDR's policy of helping the Allies in every way short of war. He gave Britain 50 destroyers in exchange for naval bases in Bermuda, Newfoundland and the Caribbean. The first peacetime draft cranked up. All pretense of neutrality vanished with FDR's Lend-Lease Act, enabling the U.S.—"the arsenal of democracy"—to pump billions of dollars' worth of arms to Britain and, later, to the Soviet Union.

Years went by before the world learned of what may have been Roosevelt's most momentous move. That occurred a half-century ago this fall, after Albert Einstein, a German refugee, wrote FDR about the possibility of developing a new bomb of incredible power. Within months, the Manhattan Project was under way, finally ending at Hiroshima.

PENTAGON
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WE PITTED THIS BABY AGAINST A ROOMFUL OF COMPUTERS. GUESS WHO WON. We admit it wasn't fair, at least not to the computers. ● That's because what comes so naturally to human beings—seeing and identifying objects—has been an incredibly taxing task for computers, until now. ● Now Martin Marietta has developed a super computer chip that dramatically increases image processing speed. It puts the computing power of 72 microprocessors on one very large-scale integrated circuit. That's enough power to process information

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6801 Rockledge Drive, Bethesda, Maryland 20817 also and then integrate that country into his greater Germany.

There were other areas in the east where German communities lived—in the Baltic States, in historic Poland, in Yugoslavia, inside Russia itself. Hitler dreamed of stretching out Germany's frontiers to embrace those also, and to open up new areas of colonization for the German people. "When we speak of new territory in Europe today," he had written in *Mein Kampf,* "we must principally think of Russia and the border states subject to her. . . . This colossal empire in the east is ripe for dissolution."

Since the end of the Civil War of 1919-20, Russia had turned in on itself. Having failed under Lenin to spread the Bolshevik Revolution abroad, the Communist Party, under Stalin, had set out to "build Socialism in one Country." This meant industrialization and collectivism of peasant agriculture, the first requiring harsh economic sacrifice, the second the brutal use of force. Stalin, equal in brutality to Hitler—who admired his fellow dictator's ruthlessness—caused the deaths of a million peasants in his collectivization program. Then he turned force against those in the party and the Red Army he believed desired his downfall—first the "Old Bolsheviks," then the generals. By the end of 1938, he had killed a hundred times as many "comrades" as Hitler had killed brownshirts in 1934 and was as unshakably the master of his country as the *Führer* was of Germany.

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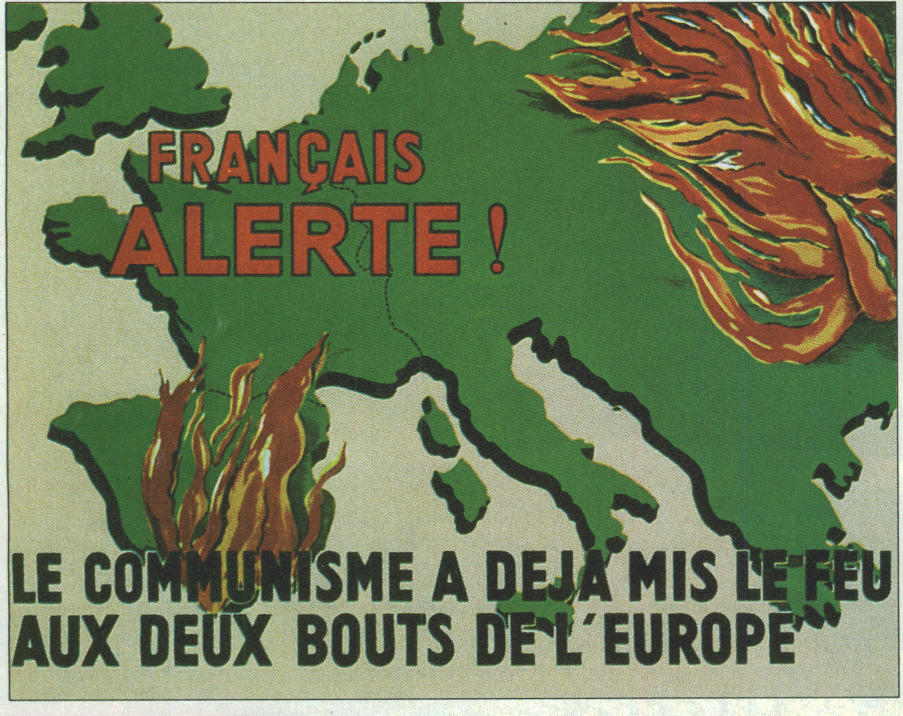

FRANÇAIS
ALERTE !
LE COMMUNISME A DEJA MIS LE FEU AUX DEUX BOUTS DE L'EUROPE

THE SCARE *Fear of Marxism was not limited to Hitler's Germany. People in nearly every democracy in Europe were frightened, as was the American public. This fascist poster shows civil war under way in Spain and a revolution intact in Russia and issues this warning: "Frenchmen, beware! Communism has already set fire to two ends of Europe"*

Triumph of the will

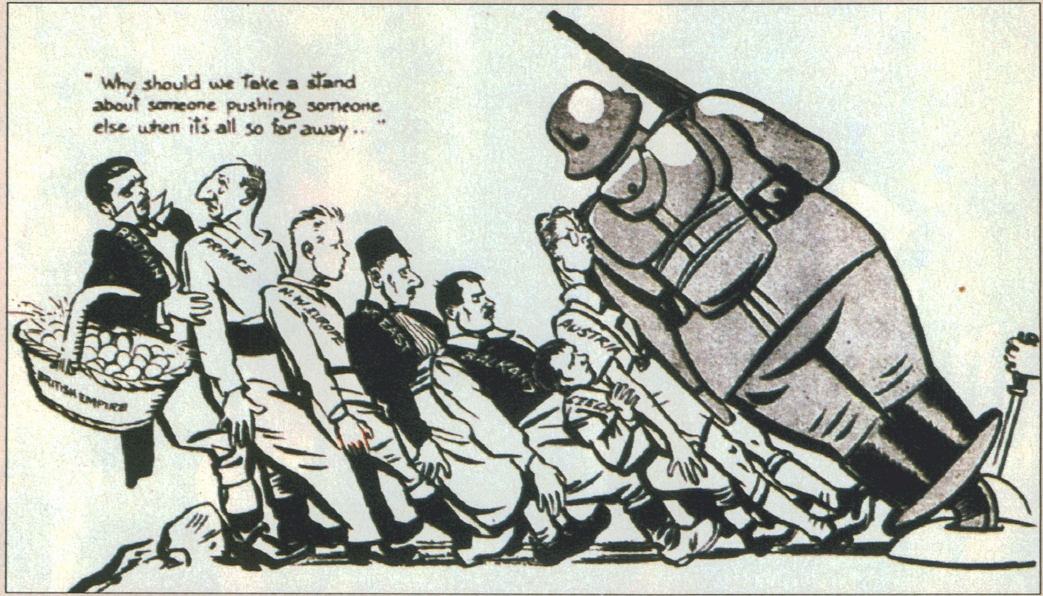
Hitler outstripped Stalin in power, however, to this degree. While Stalin—because he had devastated his Army and still feared internal enemies—dared not risk foreign-policy adventures, Hitler was determined to put Germany's re-established military power at the service of his geopolitical vision. He believed, with reason, that the Russians were unlikely to oppose him. The Western democracies distrusted the Kremlin almost as strongly as he abominated it, while the Red Army was temporarily in disarray. France and Britain, though they had begun to rearm since 1936, had no heart for a fight and lacked his cunning in the game of diplomatic warfare. He believed he could get what he wanted without provoking France and Britain to war. If war came, however, bringing the chance for military vengeance he had always believed was Germany's due, then so be it.

His belief in the feebleness of the democracies' will to preserve the European order established at Versailles had been reinforced by their behavior over Czechoslovakia. In May, 1938, immediately after he had annexed Austria to greater Germany, he instructed the Nazi leader in the Sudetenland, the German-speaking border area of Czechoslovakia, to protest against the treatment of Sudetenlanders to the Czechoslovakian government. He then threatened to mobilize the German Army against the Czechs and, by September, had panicked the British and the French, who were Czechoslovakia's ally, into dealing with him over the Czechoslovaks' heads. Neville Chamberlain, the British Prime Minister and a man who dreaded war, took it on himself to offer Hitler the Sudetenland if he agreed not to attack. When Hitler, sensing the strength of his hand, demanded that he be given the Sudetenland at once—not after an international commission had adjudicated new frontiers as Chamberlain had stipulated—Chamberlain and the French Prime Minister met him at Munich and agreed to his demands.

Hide no more

This "Munich crisis" marked the nadir of the democracies' timidity. It had been brought upon them because they dared not mobilize their armed forces against the growing strength of the German Army and Air Force and because the Poles and Romanians refused to contemplate allowing passage across their territory into Czechoslovakia of the Red Army, the only force that was strong enough to oppose the German Army on the spot. Hitler guessed as much—and also guessed that the democracies feared the intrusion of the Red Army into Central Europe almost as much as they feared him.

If Munich was the lowest point of the democracies' opposition to Hitler, it was also a sticking point. Though he did not recognize the signs—and because of his dedication to vengeance might not have cared if he had—Britain and France were now resolved to fight if necessary. Hitler had left them no choice. By his espousal of Franco's successful cause in Spain and his alliance with his fellow racist dictator, Mussolini in Italy, he had deprived France of security on its southern borders. By his emasculation of Czechoslovakia at Munich and his patronage of the right-wing regimes in Hungary and Romania, he had effectively dismantled the alliance system set up by France in Eastern Europe after World War I, designed to present Germany with a military threat on two fronts—the traditional German strategic dilemma—from the


" Why should we take a stand about someone pushing someone else when it's all so far away.. "
BRITAIN
FRANCE
N.W. EUROPE
EAST
BALKANS
AUSTRIA
BRITISH EMPIRE

DAVID LOW

THE BULLY

When London's David Low penciled this cartoon in early 1938, Britain and France were doing nothing to keep Germany from absorbing Austria. Two days later, the figure with the basket—Anthony Eden—agreed with Low's point. He resigned as Foreign Secretary, saying Britain had let Hitler conclude "that we yield to constant pressure"

THE STRATEGY THAT DID NOT WORK

'PEACE IN OUR TIME'

THE APPEASER *A proud Chamberlain and the meaningless piece of paper that Hitler signed at Munich*

Appeasement has become a dirty word in international politics. Today, it is synonymous with diplomatic cowardice, the sacrificing of principles to buy off an aggressor. Yet, when the British and French governments described it as their policy toward Hitler and Mussolini, they used it to signify that they were seeking to preserve the peace. That, after all, was how the dictionary defined *appease:* To calm, to quiet, to bring about a state of peace and contentment. In its day, appeasement was widely viewed as the only sane way to deal with aggressors.

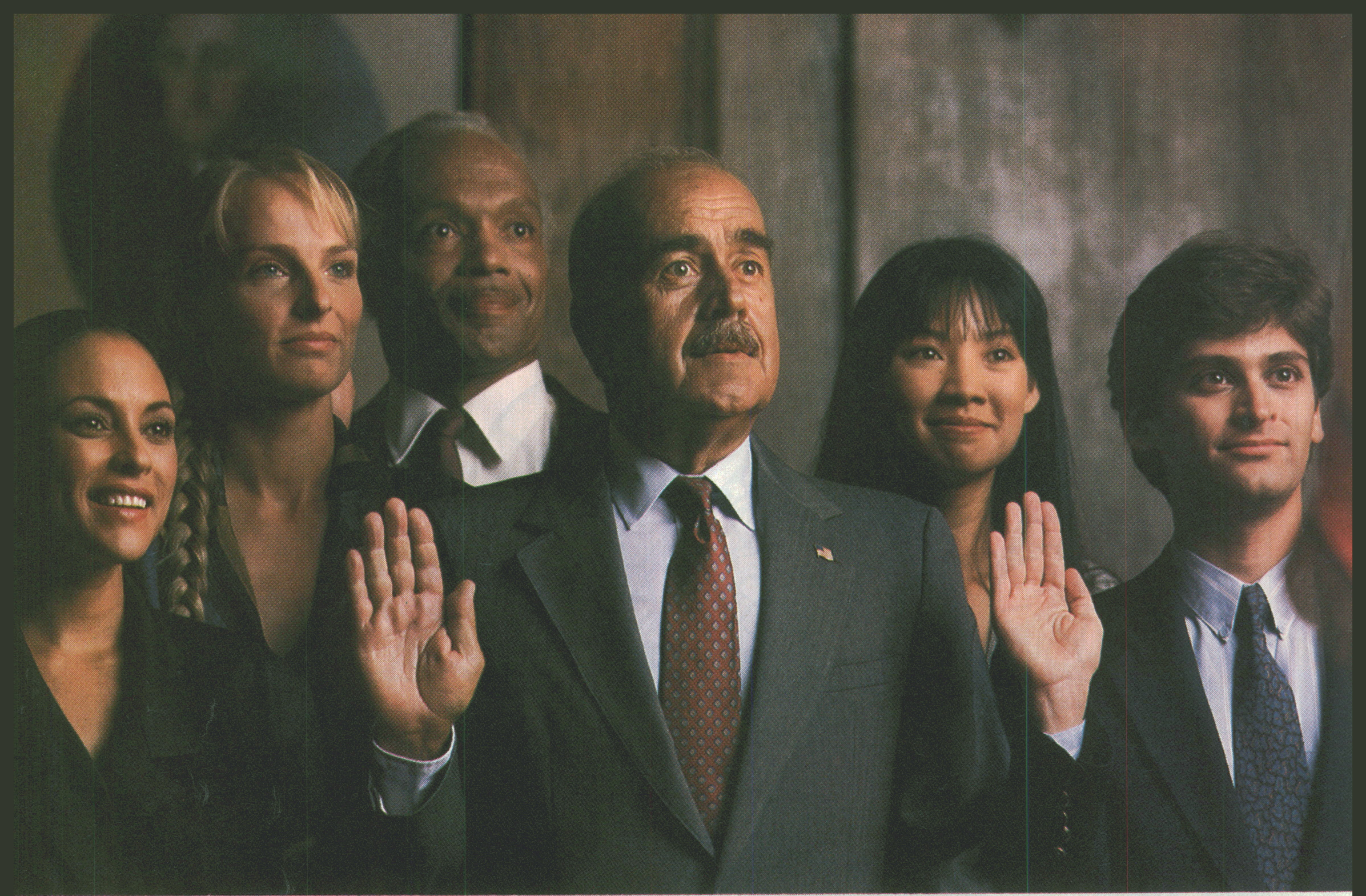
Britain and France in the '30s were pacifist nations. Still fresh was the memory of 10 million corpses in the trenches of World War I. The appeasers assumed that everyone, including the vengeful Hitler, abhorred war. For years, Britain didn't even have a Defense Minister. As Germany feverishly rearmed, Prime Minister Stanley Baldwin only reluctantly decided to put someone in charge of Britain's puny military. A worried few suggested that the job go to Winston Churchill, a lonely but vocal critic of the *Führer's.* Baldwin instead chose a committed pacifist. "If I pick Winston," he explained, "Hitler will be cross."

Neville Chamberlain, Baldwin's successor, looked for new ways to placate the *Führer.* At one point, he advanced the idea of "colonial appeasement," a plan to give Hitler colonies in Africa in hopes that he would quit his drive for European soil. First, the Prime Minister offered colonies that Germany had lost in World War I. Hitler wasn't interested. Then came offers of places the Reich had never held, including the Belgian Congo (now Zaire) and Portugal's Angola. *Nein* again. Hitler wanted his *Lebensraum*—living space—in Europe.

Britain and France repeatedly ignored or abetted Hitler as he broke treaties and grabbed territory. An Anglo-French stand early on could have revealed the dictator as history's No. 1 bluff artist. If France, with its 350,000-man Army, had moved against his tiny force in the Rhineland, Hitler later confided, the Nazis would have fled "with our tails between our legs."

Appeasement's final offering came at Munich, when Chamberlain himself flew to Germany and gave Hitler clear passage into Czechoslovakia. The Prime Minister returned home with his omnipresent umbrella in one hand and a scrap of paper in the other. The paper, he said, was Hitler's agreement to allow "peace in our time." London cheered, but Churchill, who had read *Mein Kampf,* knew better. "Britain and France had to choose between war and dishonor," he said. "They chose dishonor. They will have war."

A year and a half later, amid war, Churchill became Prime Minister. All that he had to offer was reserved for his countrymen: "Blood, toil, tears and sweat."



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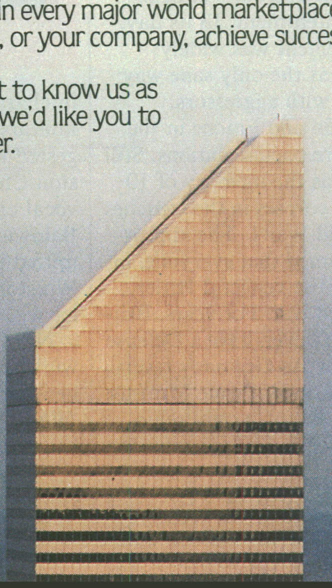

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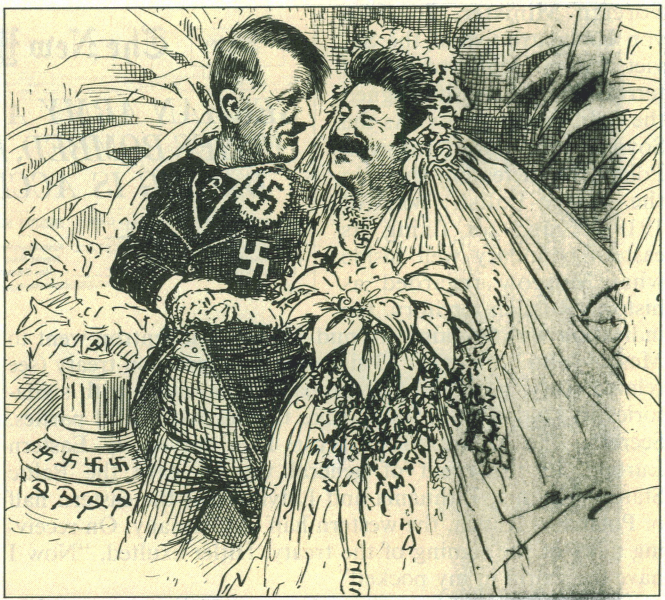
east as well as the west. And by his initiation of a program of U-boat building in 1936, to which the British Admiralty had unwisely assented before it had second thoughts, he ensured the hostility of the Royal Navy and so of the British people, for whom the Royal Navy was the ultimate sheet anchor.

Destination Warsaw

When, therefore, in March, 1939, he opened a diplomatic offensive against Poland, the last state in Eastern Europe that contained a sizable German minority, he was, whether he recognized it or not, playing with fire. So strong was the fire he had kindled that France and Britain considered joining the Soviet Union in an anti-Hitler alliance. The Poles stymied that gambit by again refusing to allow the Red Army onto their territory. The two democracies then unilaterally extended a guarantee of military protection to Belgium, Holland and Switzerland and, on March 31, to Poland. When Mussolini, Hitler's ally, invaded Albania on April 7, they gave the same guarantee to Greece and Romania.

The democracies had dealt their hand, and it confronted Hitler with the certainty of war but no certainty of victory, while Russia remained an unknown quantity, whichever way he turned. Then the hand suddenly fell his way. Stalin's new Foreign Minister, Molotov, disclosed in May that the Soviet Union might be prepared to come off the fence on Germany's side, if offered sufficient inducement. Suspicious at first, Hitler responded positively in July. He indicated, through his



CLIFFORD BERRYMAN

THE DEAL *"Wonder how long the honeymoon will last?" the cartoon asked. Within 22 months, Hitler invaded Stalin's Russia*

CHRONOLOGY OF AGGRESSION

The title of Nazi Germany's national anthem summed up Hitler's No. 1 goal—"Deutschland über Alles"—and the Führer *wasted little effort as he tried to establish the Reich as master over all. His timetable in the 1930s—*

■ **MARCH 16, 1935** *REARMAMENT*
Germany repudiates the Versailles Peace Treaty, which set strict limits on German arms. One day after Goering announces the existence of the Luftwaffe, Hitler decrees a law that establishes a military draft and an Army with 500,000 men. Britain and France complain but do nothing.

■ **MARCH 7, 1936** *RHINELAND*
German soldiers goose-step across the Rhine and occupy the Rhineland, an industrial area of Germany that had been demilitarized as a buffer zone to protect France and Belgium. Hitler then declares, "We have no territorial demands to make in Europe." France is obligated by the Locarno Pact to force the outnumbered Germans back. But the French, fearing a long war, only mumble.

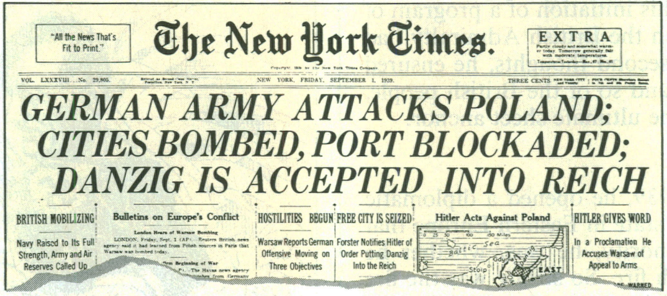
■ **MARCH 12, 1938** *AUSTRIA*
Ignoring treaties, Germany annexes Austria as Nazi troops march triumphantly into the country that was Hitler's homeland. Arrests soon begin throughout Austria, more than 70,000 in Vienna alone. Again, no action from Britain or France.

■ **SEPT. 12, 1938** *SUDETENLAND*
Hitler demands that Czechoslovakia place its [illegible] million Sudeten Germans under German rule. The Czechs are willing to fight but need help. After Hitler promises that this is "the last territorial claim I have to make in Europe," Britain's Chamberlain and France's Daladier meet with him in Munich and tell him he can have what he wants. In early October, he occupies the Sudetenland.

■ **OCT. 24, 1938** *DANZIG*
Germany advises Poland that it wants a strip of Polish land so the Reich can connect with Danzig and East Prussia. Poland says no. German pressure continues for months.

■ **MARCH 15, 1939** *CZECHOSLOVAKIA*
Hitler declares that "Czechoslovakia has ceased to exist" and now is part of the Reich. His troops pour across the Czechoslovak frontier, and he triumphantly enters Prague. A week later, Germany annexes Memel, part of the Baltic state of Lithuania. By month's end, Chamberlain declares that Britain and France will back Poland if it is attacked by the Germans.

■ **SEPT. 1, 1939** *POLAND*
Germany invades Poland. Two days later, after Hitler ignores an ultimatum to withdraw, Britain and France declare war.



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EXTRA
Partly cloudy and somewhat warmer today. Tomorrow generally fair with moderate temperatures.

VOL. LXXXVIII...No. 29,805. NEW YORK, FRIDAY, SEPTEMBER 1, 1939. THREE CENTS

GERMAN ARMY ATTACKS POLAND; CITIES BOMBED, PORT BLOCKADED; DANZIG IS ACCEPTED INTO REICH

BRITISH MOBILIZING
Navy Raised to Its Full Strength, Army and Air Reserves Called Up

Bulletins on Europe's Conflict
London Hears of Warsaw Bombing
LONDON, Friday, Sept. 1 (AP).—Reuters British news agency said it had learned from Polish sources in Paris that Warsaw was bombed today.

HOSTILITIES BEGUN
Warsaw Reports German Offensive Moving on Three Objectives

FREE CITY IS SEIZED
Forster Notifies Hitler of Order Putting Danzig Into the Reich

Hitler Acts Against Poland

HITLER GIVES WORD
In a Proclamation He Accuses Warsaw of Appeal to Arms

Foreign Minister, Joachim von Ribbentrop, that the Soviet Union might win itself territory in the east if it signed the right sort of treaty. As the Soviets had never forgiven Poland for defeating them in the Russo-Polish War of 1919-20, and for fixing its eastern boundary well inside what Moscow regarded as historic Russian territory, the indication was tempting. In mid-August, Ribbentrop went to Moscow and on August 23 signed a nonaggression treaty (see related story, page 68) that probably committed both signatories to hold aloof from warlike treaties with third parties. Secretly, the Molotov-Ribbentrop Pact carved up Eastern Europe. In the event of general war, it gave the Baltic States—Estonia, Lithuania and Latvia—and the eastern half of Poland to Russia, the western half to Germany. On receiving news of the signing of the treaty, Hitler exulted, "Now I have the world in my pocket!"

This boast would fail only if France and Britain moved to attack him at the sign of his first hostile step. While he began mobilizing against Poland in the last week of August, however, they made no countermove at all. By August 30, he had arrayed his armies on Poland's northern, western and southern borders, concentrating over 2,000 tanks and 2,000 aircraft against Poland's puny Air Force, marching infantry and mounted cavalry. For all the disparity of strength between them, Hitler required that there should be evidence of Polish aggression and that his SS, who had stage-managed the Blood Purge, should fabricate it. On the night of Aug. 31, 1939, some concentration-camp inmates were put into Polish uniforms and killed. The corpses were displayed on the Polish-German frontier as evidence to the world press that the Poles had initiated an attack. Next morning Hitler's armored columns crossed the frontier in hundreds, driving on Warsaw. Hitler broadcast that he was responding to an unprovoked offensive. Britain and France, which had still not mobilized, demanded that he withdraw. He ignored their ultimatum. It expired at 11 o'clock on the morning of September 3, when the defeat of the Polish Army was already well advanced. World War II had begun. ■

KEYSTONE

THE INVASION *On World War II's first day, German soldiers tore away the turnpike gates at the Polish border. Sixteen days later, Soviet troops invaded from the east. One month into the war, all of Poland belonged to either Hitler or Stalin. The Soviets got more than half the land, but the Germans controlled most of the people and industries*

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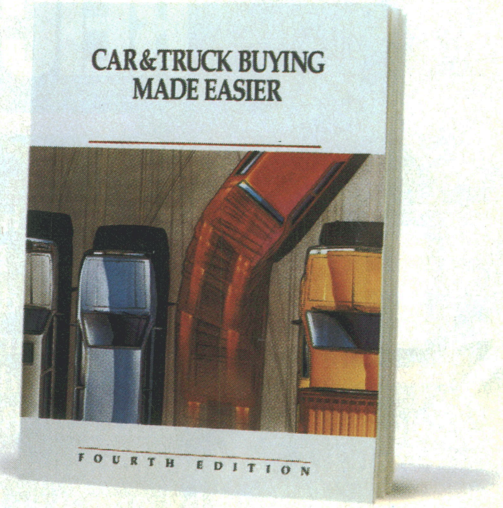
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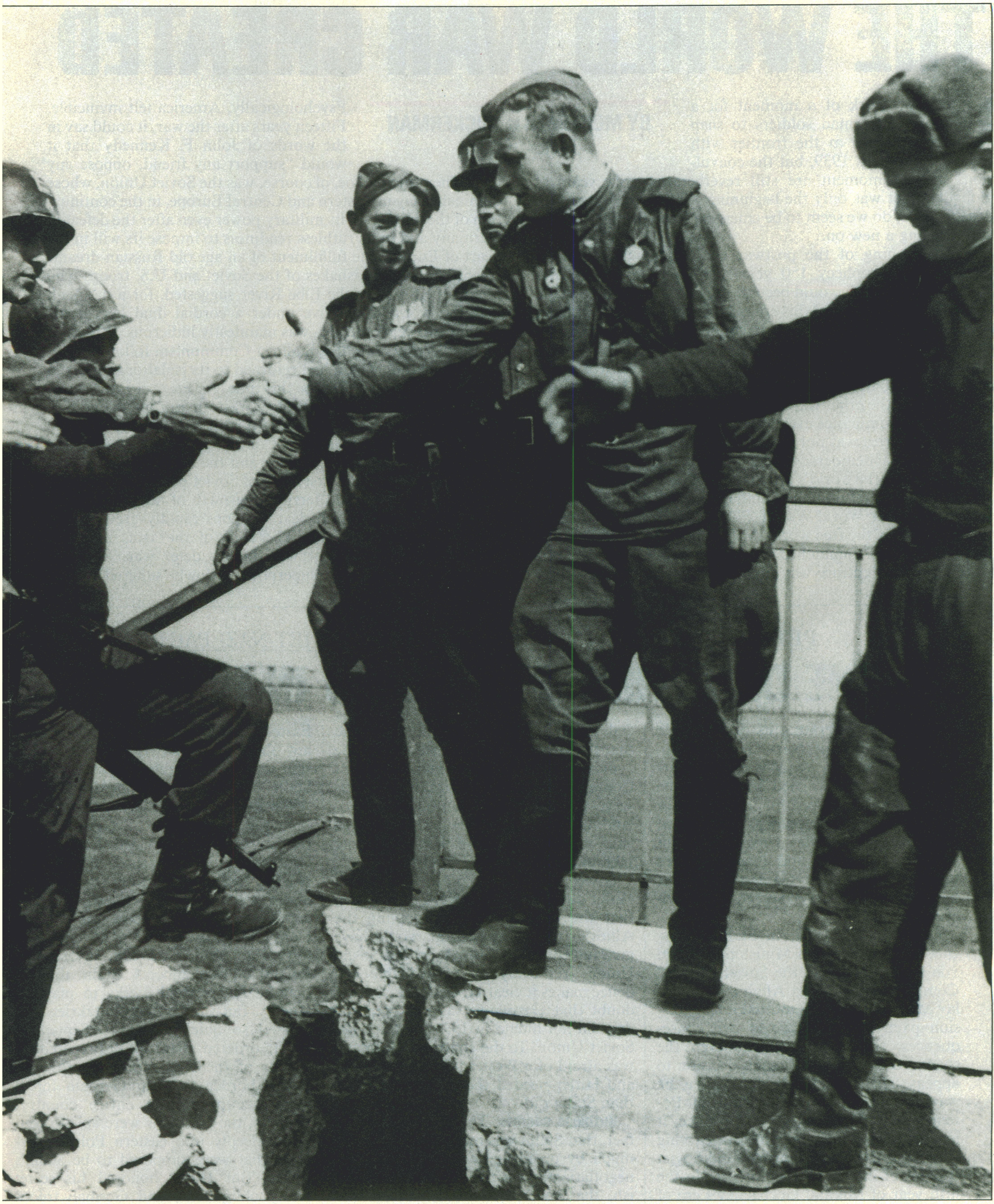
END OF THE REICH

Five years and eight months elapsed between the day Hitler sent his tanks into Poland and the moment he and Eva Braun, his bride of 40 hours, committed suicide in his underground bunker in Berlin. The Third Reich he said would last 1,000 years survived him by one week. Three months later, on Aug. 14, 1945, Japan capitulated, and World War II was over.

From the conflict emerged a divided Continent. On one side of the iron curtain was the Communist bloc, dominated by the Soviet Union; on the other was the free world, led by America and its democratic ideals. Nuclear weapons suffused the rivalry with a special danger. Only now is that cold war being fundamentally re-examined.

AP

THE VICTORS *Five days before Hitler died, American GI's and Soviet soldiers met at the Elbe River, cutting Germany in*



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two. Soon, the Soviets had puppet governments in place in half of Germany, all of Poland and much of the rest of Eastern Europe. In March, 1946—barely 10 months after Americans and Russians shook hands at the Elbe—Winston Churchill introduced a term that would define global politics for four decades. "From Stettin in the Baltic to Trieste in the Adriatic," he said, "an iron curtain has descended across the Continent"

AFTERMATH OF WAR

THE WORLD WAR CREATED

BY MORTIMER B. ZUCKERMAN
Editor-in-Chief

It was the work of a moment for a handful of German soldiers to snap the frail barrier at the frontier with Poland on Sept. 1, 1939, but the convulsions of that moment are still reverberating. Six years of global conflict was only the beginning. Only now, in the fifth decade since, do we seem to be emerging from the postwar era and entering a new one.

The beginning of the postwar era was a vindication of Tocqueville's prophecy 150 years ago that sooner or later America and Russia would become the two main powers of the world. Today, the end of this era is marked by the preeminence of America, a waning of the strength of Russia and the reemergence of the old great powers. America was probably the strongest nation at the end of World War I, but it was the dynamic economic expansion of America from 1941, and the exhaustion of the other warring powers, that catapulted us into a position of dominance even greater than Britain's in the 19th century. America was not merely the arsenal of democracy; it was the heart of democracy. Economically, it dominated, as no one had before, the world's production, science and technology. It supported the rebuilding of both its democratic allies and its former foes after World War II. Politically, it was the unquestioned leader of the free world. Militarily and technologically, its potential was unmatched by any combination of enemies. American mass culture was embraced even by its opponents. Psychologically, America felt invincible. Fifteen years after the war, it could say in the words of John F. Kennedy that it would "support any friend, oppose any foe." The principal foe, of course, was the Soviet Union, whose dominance lay in Eastern and Central Europe, in the continuation of the buildup of its military power even after the defeat of Germany and in its ruthless readiness to impose its will in the heart of Europe, the fulfillment of an age-old Russian dream.

The smiling handshakes of the Soviet and U.S. troops who fought their way to the Elbe River suggested, for a moment, that the world might live under a cordial dual hegemony. Within two years the idea was manifestly ludicrous. Wherever the Red Army marched, Stalinist Communism followed.

But America, which had returned to its isolationist ways in 1918, did not desert Europe this time. As Eastern Europe was absorbed into the Soviet empire, Western Europe under U.S. leadership forged a new antitotalitarian military and political alliance. It worked. The failed Communist uprising in Greece, the unsuccessful Berlin blockade and the Korean War in 1950 marked the end of the first cycle of Soviet postwar expansion.

The phenomenal and terrifying growth of nuclear military power did not abate. Nuclear weapons rapidly grew bigger, faster and more accurate. The logic of the arms race was paradoxical—not to fight war, but to deter war. But in a nuclear stalemate, both superpowers slowly suffered from a

PERSPECTIVE: SEWERYN BIALER ON THE SOVIET-NAZI PACT

THE DEAL THAT STILL LIVES IN INFAMY

Instead of celebrating its decisive role in the defeat of Nazi Germany, today's Kremlin leaders are embarrassed and even worried about the role their country played in the start of World War II. Fifty years ago, the Third Reich and the Soviet Union were not enemies, but allies, and Joseph Stalin's heirs are only now reaping the bitter harvest of two years of secret Nazi-Soviet cooperation.

On Aug. 23, 1939, in Stalin's presence, Hitler's Foreign Minister, Joachim von Ribbentrop, and the Soviet Peoples' Commissar of Foreign Affairs, Vyacheslav Molotov, signed a mutual nonaggression pact. On the scale of evil consequences, the pact outweighs even the shameful British and French decision to appease Hitler: Not only did it pave the way for the German invasions of Poland, the Low Countries and France, it also contained a secret protocol carving Central Europe into German and Soviet spheres of influence. Last month, in the fifth year of Mikhail Gorbachev's era of *glasnost,* a high Communist Party official finally admitted for the first time that the secret protocol existed. Now the cynical deal has come back to haunt Communist leaders struggling to preserve their tarnished legitimacy in Poland, in the Baltic States and in parts of the Soviet heartland itself, in the Ukraine, Moldavia and Byelorussia.

Soviet justification of the pact with Hitler ultimately rests on the proposition that the only alternatives, joining the Allies or remaining neutral, would have guaranteed a Nazi attack on the Soviet Union. Yet every bit of available evidence makes it clear beyond a reasonable doubt that Germany was not prepared and did not intend in 1939 to attack the Soviet Union. To the contrary, Germany was afraid of a Western-Soviet coalition, and Hitler needed the pact much more than Stalin did.

Ruthless secrets. There is evidence, in fact, that Stalin was motivated at least as much by greed as by fear. In his 1939 negotiations with the French and British, the Soviet dictator demanded that the Allies accept Soviet control over Eastern Europe. The democracies were not about to underwrite Soviet expansion into their neighboring states. What Stalin could not get from the Western Allies he got from Hitler, and more.

In the secret protocol, Germany and the Soviet Union divided Poland into two roughly equal parts, and when the Nazis attacked Poland on September 1, Stalin watched to see whether Britain and France would declare war on Germany. When they did, the Soviet Union moved to launch its own invasion of Poland on September 4. Stalin thought that he had several weeks to plan his attacks. But the German blitzkrieg progressed so quickly that on September 17, he ordered about 40 ill-prepared divisions of the Red Army to cross the Polish border to keep German forces from occupying the entire country. Even so, the Germans were able to penetrate deeply into eastern Polish provinces that were supposed to be Stalin's prizes. But Hitler honored his secret treaty obligations, and German troops withdrew to the agreed demarcation line

The curtain falls. *Hungary removes fence on Austrian border*

BERNARD J. HOLZNER—SYGMA

decline in their relative political and economic dominance.

In the case of the United States, it was a slow process and a deliberate consequence not only of the arms race, but also of rebuilding the Western powers and Japan. It did not weaken the alliance. However, the Soviet Union and most of its client states were simply exhausted by competing in an arms race their sclerotic command economies, ravaged by the war and the Stalinist terror, simply could not support. They entered a phase of not just relative but absolute decline.

The postwar era also saw the decline and collapse of the traditional colonial empires. What followed was a competition between Communism and capitalism, and between Soviets and Americans, to fill the vacuum the old European powers had left. The Third World became the principal theater for U.S.-Soviet competition. The cost of competing for influence in so many unstable, poverty-stricken and often insignificant nations frequently went far beyond the point of diminishing returns, especially for the Soviets, who could ill-afford the cost.

The postwar period ushered in a type of international conflict not seen since the Crusades. The cold war was not just a battle for survival between two states; it was a conflict of ideologies that recognized no borders and achieved the zealousness of religious wars. It openly and deliberately tested the potential and performance of opposing economic and political systems, both of which proclaimed their universality. In the past, any conflict of such intensity would assuredly have ended in a world war. But because nuclear weapons promised Armageddon, the cold war remained a conflict of wills rather than of weapons—not the hot wars of tanks and artillery, but the cold wars of politics, propaganda, subversion and espionage.

Today, as Soviet aggressiveness abroad appears to be declin-

when the Soviet troops belatedly arrived.

After the partition of Poland, Molotov crowed that "the bastard of the Versailles Treaty [Poland] has once and for all ceased to exist." Stalin sent a congratulatory cable to Hitler expressing hopes that the Nazi-Soviet cooperation "cemented with blood" would remain strong. The only blood Stalin could have had in mind was that of the Poles who were being killed by the Nazis and the Soviets.

Gestapo handshakes. Many of those not slaughtered in the hopeless defense of their homeland suffered an even crueler fate. When a German diplomat named Hans von Herwarth landed at the Moscow airport with Ribbentrop for the signing of the Nazi-Soviet pact, a friend from the German Embassy in Moscow grabbed his arm and said, "Look how the Gestapo officers are shaking hands with their counterparts in the NKVD (Stalin's secret police), and how they are all smiling at each other. They are obviously delighted to be able to collaborate at last. But watch out! This will be disastrous, especially when they start exchanging files."

The Nazi and Soviet secret police did start exchanging files. There is evidence that after the pact was reached, Stalin and his secret-police chief, Lavrenti Beria, decided to give the Gestapo some German Communists or Jews who either worked in the Comintern, the worldwide Communist apparatus, in Moscow or had fled their country after Hitler came to power. Some Germans who had been arrested by Beria during the great purge of 1936-38 as "fascist spies" went directly from Soviet to Nazi concentration camps.

Hundreds of thousands on both sides of the demarcation line, particularly the politically active and the intelligentsia, were killed, sent to camps or exiled as Hitler's SS and Gestapo joined forces with Stalin's NKVD to liquidate the Polish resistance. In the Baltic States, Lithuania, Latvia, and Estonia, the Germans insisted on evacuating almost anybody who claimed to be German. Hundreds of thousands of those who remained became the victims of Stalin's terror.

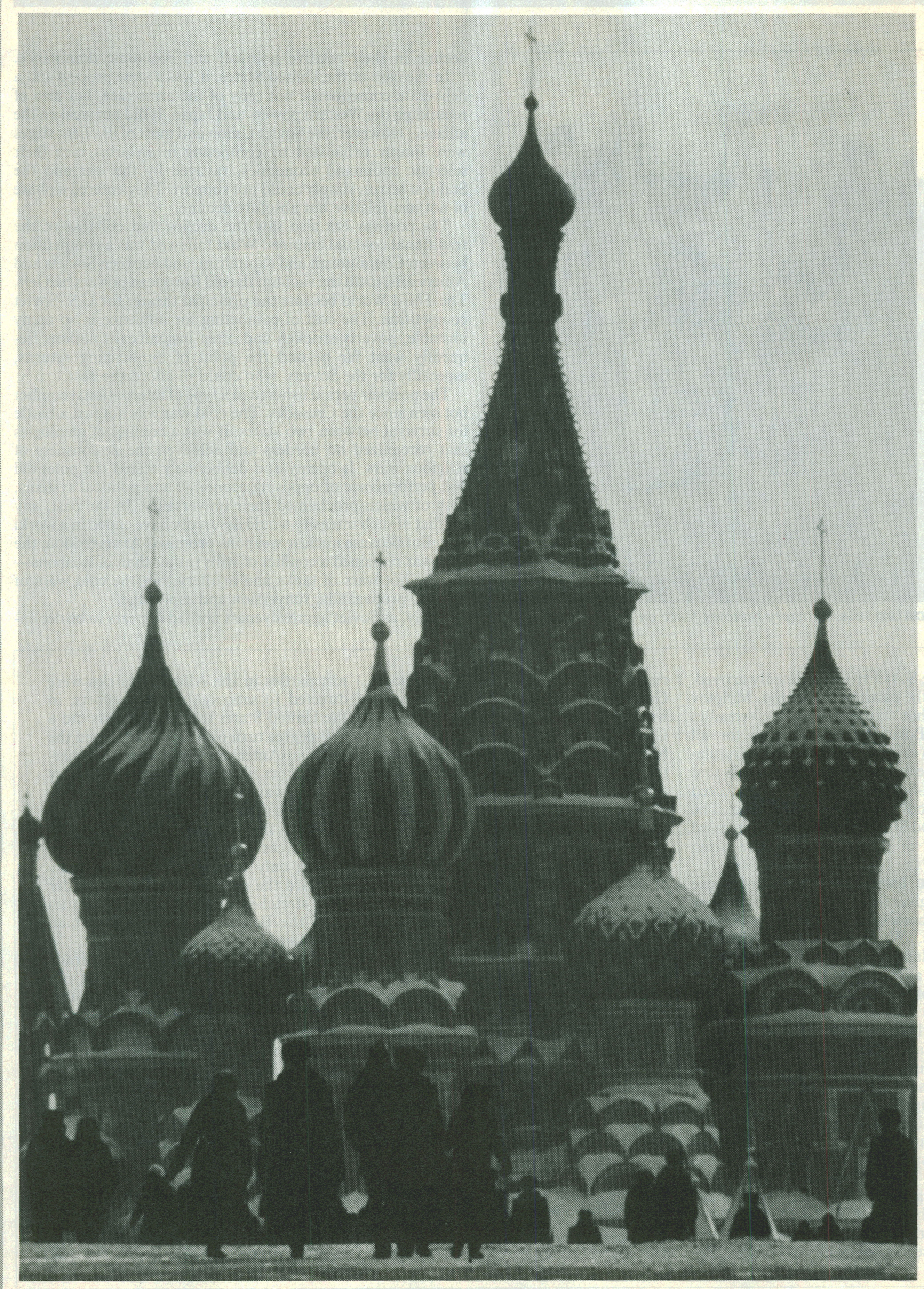
That was not the only help Stalin gave Hitler. After Aug. 23, 1939, he ordered Communist parties around the world to support the Soviet-Nazi pact. Communist parties in the Allied countries were directed to sabotage the war efforts; in the United States the Communists did a 180-degree turn overnight and joined the German-American Bund and the America Firsters in opposing American entry into the war and aid to Britain.

Hitler's agreement with Stalin also left the Nazis free to concentrate virtually all their forces against the Western Allies, leaving only nine second-rank divisions to guard the new German-Soviet border that stretched more than 1,000 miles from the Baltic Sea to the Carpathian Mountains.

After the pact, Soviet-German trade also increased dramatically. Soviet oil, grain and mineral resources were indispensable to the buildup of the German war machine. Just hours before German troops crashed across the Soviet border on June 22, 1941, a train loaded with Soviet supplies for the Reich crossed into Germany.

Khrushchev has reported that in 1939 Stalin had told him: "I know what Hitler is up to. He thinks he has outsmarted me, but actually it is I who have outsmarted him." Stalin was wrong. But so was Hitler, and 50 years later, their ignoble attempt to divide and conquer still haunts Europe. ■

■ Seweryn Bialer, a leading scholar in Soviet affairs, is Robert and Renee Belfer Professor of Social Sciences and International Relations and director of the Research Institute on International Change at Columbia University.



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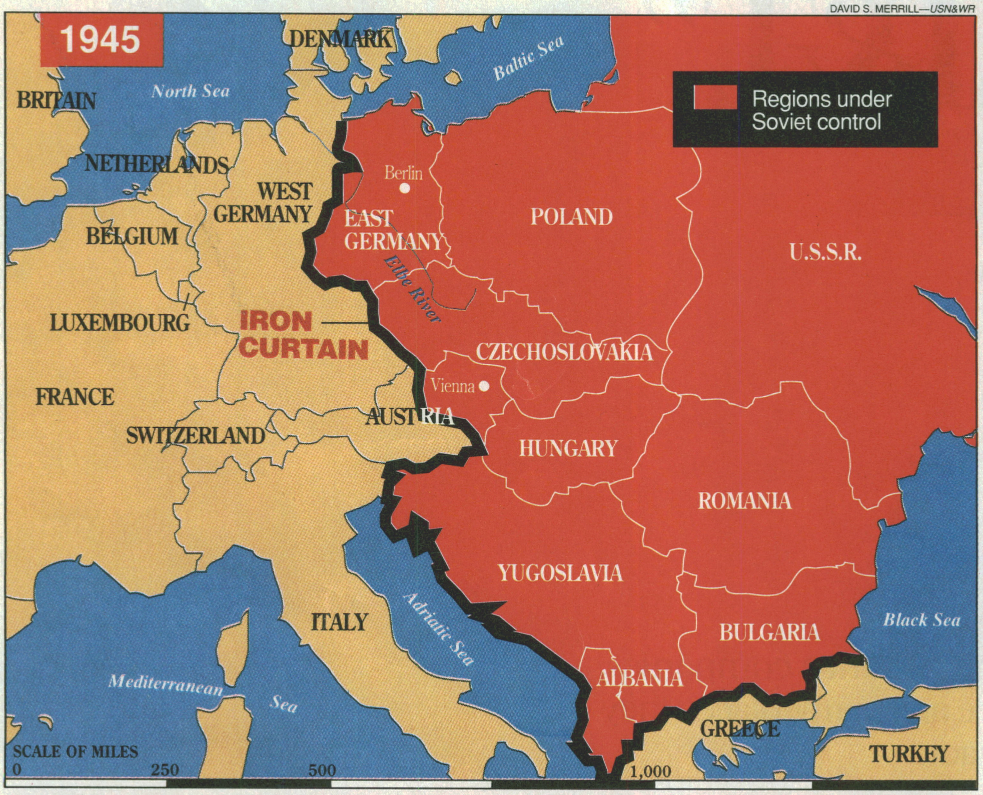
ing, smaller states see a diminishing logic in their own participation in the cold war. America's allies now see little danger from the Soviet Union and are uninterested in the global vision of the United States. On the Soviet side, the captive nations and regimes of Eastern Europe are groping for ways to escape Soviet domination. Virtually no week goes by without some sensational news of yet another rejection of the Communist system. A new era is opening with the prospect of a counterrevolution as momentous at the end of the 20th century as the Russian Revolution was at the beginning. The collapse of Communism does not make Soviet nuclear weapons less dangerous, but the economic, political and cultural collapse of Communism makes the specter of Soviet expansion less real.

For the first time, it is possible to envision an end to the arbitrary division of Europe, which for five decades has confined the populations of a half-dozen states in the largest prison in the world. It is not an external threat by America and its allies that has brought this about so much as their external demonstration that there is a better life than Communism can provide. Has there ever been a more exhilarating demonstration of the virtues of political freedom (and of American generosity of spirit) than that in the West, where both old enemies and allies have flourished while in the East the satellites have languished at the point of a gun? Communism has not even been able to capitalize on the dissolution of the West's old colonial empires: It is the West that still has the greatest influence in its former colonies. Even China has turned away both politically and economically from the Soviet Union.

DAVID S. MERRILL—*USN&WR*



A DIVIDED EUROPE *From World War II's rubble arose two occupied Germanys, two occupied Austrias and an Eastern Europe dominated by Moscow. Austria united as an independent nation 10 years later, but no end is in sight for Germany's east-west division*

The repercussions of the collapse of Communism are as widespread as its ambitions once were great. At one time, there were 40 million members of various Communist parties in nations outside the Eastern bloc. Today, international Communism is dead, especially in Europe, where Communist parties have minimal influence. The universal theory of Marxism has been revealed by time as a piece of 19th-century materialism, inspiring perhaps when presented as the salvation of peasants and workers in an era of robber barons, famine, depression and exploitation, but utterly irrelevant to the needs and aspirations of the 20th century. Seven decades after the triumph of the Bolshevik Revolution, and more than four years after the ascendance of Mikhail Gorbachev, the world headquarters of Marxist-Leninism still cannot provide decent food, adequate housing, acceptable clothing or health care or entertainment for its people. No wonder a leading member of an Eastern European Communist Party sued the party to recover 20 years of past dues because he claimed that the party's failure to perform on its promises was tantamount to a breach of contract.

The Soviet model barely worked for the first Industrial Revolution of smokestack industries of the late 19th century and early 20th century. It can barely begin parts of the second Industrial Revolution, the postwar consumer revolution involving the mass distribution of high-quality consumer durables, improved diet, good housing and medical care. India, China, Indonesia, even Bangladesh, can feed themselves; the Soviet Union cannot. The Communist consumer cannot be sure of getting even such basic needs as sugar, salt, matchsticks, razors, toilet paper, sanitary napkins, toothpaste, disposable syringes for hospitals, or soap for its miners. Consumption as a percentage of Soviet GNP is less than 30 percent, a lower percentage than Germany's during World War II. The Soviets remain incapable of manufacturing anything, except armaments, that can compete in the world markets. As for the burgeoning third Industrial Revolution of the late 20th century, the information revolution of communications, high technology and computers, the Soviet system is a nonstarter. The Russians gave up their God and their Czar for material benefits and now have no God, no Czar and no material benefits.

Above all, Communism is now bankrupt as an ideology. As George Kennan puts it, "It is incapable of commanding that ultimate fund of human idealism on which the revolution, like the churches of all ages, was once able to draw. The deepest confidence, the most intimate hopes, the finest ideals: these are no longer the Kremlin's to command." The fact that the system is able to function only through rampant corruption and black marketeering has produced such deep cynicism that one of the darkest fears of the West has vanished: The fear that a generation born and educated in a Communist system would

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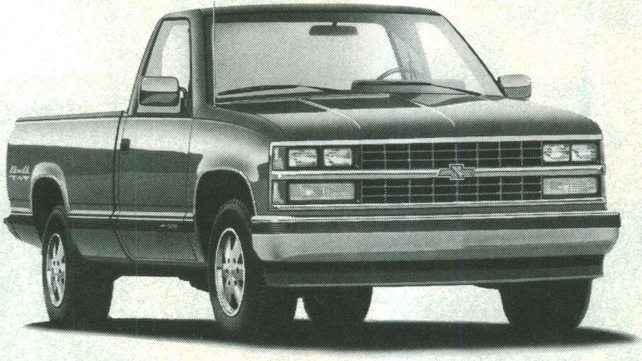

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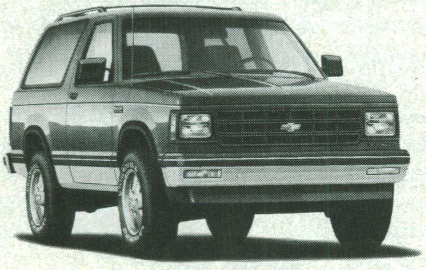

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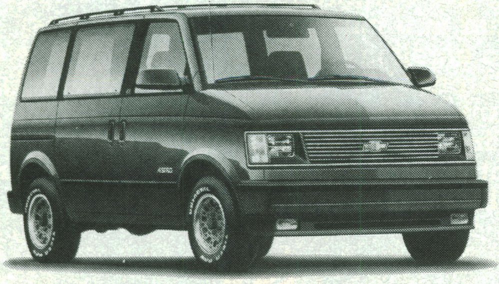

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grow up and support its values. For it is the youth, especially the educated, who are the most alienated. Who could not be repulsed by the continuous revelations of the shocking brutality, criminality and wanton slaughter by the murderous tyrant Stalin, and of the vast corruption and sloth of Brezhnev? How could the Communist Party not decline when so many of its leaders were revealed as murderers, thieves and thugs?

All the thousands of free-world intellectuals who were certain that Communism owned the future are dead or quiet. In the contest between state power and freedom for the individual, the individual has won. In the contest of pragmatic rivalries between centralized economies and free markets, Adam Smith has defeated Karl Marx. In the cultural contest between Soviet egalitarianism and America's mass culture, America has won. Our music, TV, movies, style and fashion are emulated throughout the world, lubricated by Coca-Cola and fueled by Big Macs. There is no clearer indication of the failure of Communism than that millions seek to leave the Soviet Union to live elsewhere, while tens of millions seek to come to America to live.

Pope or Luther?

The consequences for the Soviet Union are imponderable. As the recent elections for the new Congress of People's Deputies illustrated, the people have lost even minimal respect for their leadership. Legitimacy has been lost, and everyone knows it, and everyone knows everyone knows. This invisible revolution in hearts and minds constitutes a dilemma for Mikhail Gorbachev. He must dismantle the very system that has placed him in power: He is faced with the problem of being the Pope and Martin Luther at the same time. He has achieved a great deal in one difficult sphere, namely a change in the ossified political culture. But it is not clear whether he can survive the decentralization of power and the crisis of faith that *perestroika* and *glasnost* have spawned.

America, too, must find a way to respond to the historic opportunity of the end of the postwar era. It must preserve the Atlantic Alliance and yet, in today's headier moments, remember that Moscow remains committed to an accumulation of military power. The Red Army still has more divisions in East Germany than there are in the entire U.S. Army, more divisions in Czechoslovakia than there are U.S. divisions in all Europe. Despite promises of a new defensive military doctrine, all these Soviet divisions are still equipped for offense. But with budget and trade deficits and deferred civilian programs from education to highways, no President can anticipate that America will continue to spend 40 to 50 percent of its military budget on NATO. No U.S. President is likely to incur the political costs of reducing consumer spending in the U.S. to continue paying the lion's share of the cost of defending Western Europe from a Soviet bear that claims to have lost his appetite. Political support at home is also diminishing as World War II, and its lessons on the costs of appeasement and unreadiness, recede into history. The perception that the new European Community has the resources to pay more for its defense and will also be a major economic competitor of the U.S. only compounds the problem. Many believe that the Soviet Union has largely abandoned its side of the global tug of war and left the U.S. with a limp rope. It is tempting for a President to believe that perhaps now we can concentrate on economic competition, with Japan as well as Europe, emphasizing trade wars rather than Star Wars, and draw up a new security policy in which the burdens of a multipolar world are shared by reinvigorated friends. Yet we, not Europe or Japan, are still the global superpower. Only we have both the arsenal and the economic power to lead.

The reality is that though we can glimpse the shape of a new era, we do not have it within our grasp. The tanks can return to Tienanmen Square. Gorbachev may fail, or fall, or both. What is happening in the Communist world is brand new, and no one knows for certain where it may lead. If Gorbachev fails will the Soviets revert to the truncheon and the gun? There remains a residual fear that the Soviet efforts at reform are reversible or that even if the reform succeeds it will make the Soviet Union a more efficient opponent at a time when the alliance is not held together by the glue of fear.

CHARLIE ARCHAMBAULT FOR USN&WR

A NEW CHALLENGE *The task facing West Germany's Helmut Kohl and America's George Bush is to preserve a united alliance amid diminishing fears of Soviet aggression. In this decade, West German sentiment has shifted toward neutrality*

During the postwar period, the only strategy for the U.S. was tenacity. Surveying history and our hopes today, our strategy should be one of tenacious flexibility—tenacious in maintaining cohesive defenses and the ability to deter war, flexible in response to opportunity. Major conventional-arms agreements, properly constructed and monitored, would reduce the military threat. Ultimately, freedom is the key to the success of America, and to the future. Democratic and open societies have seldom if ever gone to war with one another. For good reasons. Elected legislatures tend to be more concerned with questions of domestic welfare than with foreign and military policy.

About 30 years ago, Khrushchev once asserted that Communism would bury capitalism. Ironically, we are now witnessing Communism bury Communism. Nowhere is this better symbolized than in the proposal of some Soviet intellectuals that the embalmed body of Lenin be removed from its tomb in Red Square and buried in the earth. There will be less reason to worry that Gorbachev's domestic reforms are reversible when a modern democracy and full freedom have emerged for the people of the Soviet Union. Then, the burial of the Communist threat will be complete. ■

AFP

Sweet victory. *On Solidarity's ninth anniversary, Lech Walesa grapples with new power and old realities*

After the party's over

Poland tests whether Communism and democracy can coexist

In Poland, the revolution has just begun. By winning the right to set up the first non-Communist government in the East bloc in 41 years, Solidarity and Lech Walesa have taken the lead in a frontal assault on Communist power by opposition groups and reformers from Siberia to Budapest. But the breathtaking pace of change in Poland has created new political instability in an already volatile region. How well an untried, inexperienced coalition government in Warsaw copes with angry workers and a collapsing economy will help determine where the limits of Moscow's tolerance lie and thus what chance the rest of the bloc has to break the grip of one-party rule.

Frayed nerves already are evident in the neighborhood, though not, so far, in Moscow. Czechoslovak authorities accused Poland's Solidarity-led parliament of "trying to cause unrest and destabilize social development" by condemning the 1968 Warsaw Pact invasion of Czechoslovakia. They also have criticized meetings between Solidarity members of parliament and Czechoslovak dissidents.

Prague is especially nettled because it is particularly vulnerable to the reform virus. One State Department official, noting increased links between Czechoslovak and Polish dissidents, predicts political upheaval within 18 months. The large number of young, midlevel party members who chafe under the hard-line leadership of Milos Jakes may accelerate the process. As events unfold in Poland, these members will feel increasingly driven to declare their reform credentials now instead of waiting for the deluge.

The pace of change also may pick up in Hungary, where reformers already have taken control of the Communist Party. Janusz Bugajski of the Center for Strategic and International Studies in Washington says Hungarian opposition leaders will likely take a tougher line in talks over the allocation of seats in a new parliament. The Polish fever could force a final split within the Hungarian Communist Party between reformers and hard-liners.

A new world. Even relatively prosperous East Germany is feeling the winds of change. Already this year, 1,600 emboldened East Germans have defected to the West by slipping across the now lax Hungarian border into Austria. As many as 10 percent of East Germany's 16 million citizens have applied to emigrate, exerting steady pressure for reform on the authorities. With the Polish opposition about to take power next door, that pressure will increase. Milan Svec, who was a senior Czechoslovak diplomat in Washington when he defected in 1985, says Solidarity's successes "make it much more tempting for everybody in Eastern Europe to demand more—it's a new world."

The key, of course, is Moscow. If the Kremlin sticks by its public hands-off policy toward Poland, it will undermine hard-liners throughout the bloc. "They can just say loudmouth things," says Svec, referring to the Czechoslovak leadership. "They will be lonelier than ever." Soviet leader Mikhail Gorbachev is gambling that he can gain more stability in Eastern Europe by loosening his grip than by tightening it. So far, his bet is paying off. Mindful of Soviet worries, Solidarity reserved the Defense and Interior ministries, which control the military and the police, for the Communists in the new coalition government. Walesa also made it clear Poland would remain in the Warsaw Pact. "No matter who rules here must recognize this reality," he said.

Even so, turmoil in Eastern Europe could spill into the Soviet Union's own restless republics, especially the Baltic States of Estonia, Latvia and Lithuania. Huge nationalist demonstrations are expected this week as the three mark the 50th anniversary of the secret Nazi-Soviet pact that forcibly ceded the area to the Soviet Union (page 68), and tensions between the local population and resentful Russian immigrants are skyrocketing. Gorbachev, however, may try to turn the Polish case to his advantage by arguing that the Baltics, too, could win by seeking pragmatic solutions to their demands for more autonomy. To counter this week's rising nationalist fervor, Kremlin leaders already have sweetened their overtures to the republics by calling for a truly federal system that would radically decentralize political and economic power.

Limited choices. But Gorbachev's gambit is risky. Unlike the Poles, Hungarian opposition activists reject any pledge to set aside sensitive ministries for the Communists. That is only one small step from a pullout from the Warsaw Pact, which would force Gorbachev to choose between a showdown with hard-liners in Moscow and sending tanks to crush *glasnost* in Budapest again. The former course could cost the Soviet leader his job, or at least some of the unchallenged power he now enjoys. The latter would cost him his carefully cultivated image as a reformer, both at home and abroad, and probably his chances of attracting Western investment in *perestroika.*

Perhaps by design, the Soviets' arm's-length attitude puts heavy pressure on Solidarity to solve Poland's deepening economic crisis. But to rescue the collapsing economy and reverse more than 40 years of Communist control, a Solidarity-led government will have to sacrifice some of its own constituents, closing bankrupt factories and putting thousands of Poles out of work. Moving too quickly could touch off dangerous strikes by workers already angry over rising food prices. Moreover, Solidarity must reassure Western businessmen who fear greater instability under an untested Solidarity government than under the unimaginative but predictable Communist apparatchiks.

Still, Western governments will be under heavy pressure to support Poland's unprecedented experiment in democracy. "If they want change, they're going to have to help pay for it," said Georges Mink of France's prestigious Centre Nationale de la Recherche Scientifique. Representative Lee Hamilton (D-Ind.), the senior Democrat on the House Foreign Affairs Committee, says Congress is now more likely to be "generous with aid," probably beyond the $100 million already sought by President Bush. If so, then Solidarity will have won at least the first skirmish in its long battle for credibility, East and West. ■

by Douglas Stanglin with Bruce B. Auster in Washington, Jeff Trimble in Moscow and Richard Z. Chesnoff in Paris

JEFF TRIMBLE—*USN&WR*

A nose for trouble. *People's Deputy Guliy (left) inspects the salmon catch*

Where *perestroika* makes strange bedfellows

Fighting to save Sakhalin from the Soviet disease

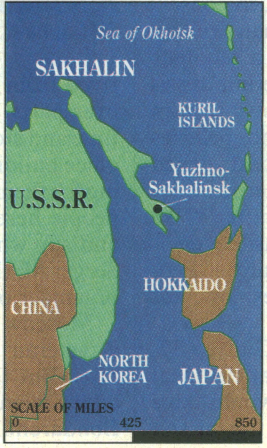
Eight time zones east of the Kremlin, remote Sakhalin Island is a rich land beggared by great waste and torn by impatient cries for great changes. Two of the island's four new people's deputies—a conservative who rose through the old, discredited system and a young firebrand committed to tearing it down—are symbolic of the ferment. For now, they are both reluctant allies of Mikhail Gorbachev and perestroika, *bound by the knowledge that if he fails, so do they all.*

People's Deputy Vitaly Guliy peers over the gunwale of the rowboat at a small economic disaster in the making. Thousands of salmon churn in the nets, shimmering in the bottle-green water of the Sea of Okhotsk. "We've been waiting three days for the processing ship," fumes fisherman Evgeny Fadeyev. "There are 80 tons of fish here, and in three more days they will be dead, useless."

Eying the salmon, their bellies swollen with red caviar, Guliy shakes his head. "The directors told me everything was going fine with the catch, but I wanted to see for myself," he says. "Look what I find. A mess." He promises to "throw a scare into them" to get things moving.

Over at the Kotovsky collective's fish-processing plant, they would love to be busy, but because of a shortage of cans they are limping along at just 60 percent of capacity. And, *perestroika* notwithstanding, the fishery directors cannot deal directly with the Sakhalin-based can manufacturer. Instead, they must appeal to their deputies to intercede with the can factory's Moscow masters 4,200 miles away.

MATT ZANG—*USN&WR*



At the Yuzhno-Sakhalinsk mine, halfway across the island, People's Deputy Anatoly Kapustin faces a circle of coal miners angry that official promises made to settle a widespread strike this summer have not been kept. "The union isn't defending our rights," sputters one. "It's run by fools." Kapustin, one of those "fools," is tired after a 2-

hour crawl through the mine. "I know times are hard, but remember what Winston Churchill said about the Russians: We are a people who create impossible problems for ourselves, then solve them."

JEFF TRIMBLE—*USN&WR*

A tough audience. *Sakhalin coal miners listen to their man, Anatoly Kapustin*

Three months into their five-year terms in the new Congress of People's Deputies, Guliy and Kapustin are on the cutting edge of Mikhail Gorbachev's reform campaign. Both are Communists and defenders of the cause of *perestroika.* But they are curious bedfellows and, in the small world of politics on this North Pacific island of 700,000, there is little love lost between them. Guliy is a lifelong rabble-rouser who typifies a generation that has come in from the cold under Gorbachev. Kapustin is the consummate insider, a party apparatchik with a nose for the prevailing winds.

Guliy believes radical reformer Boris Yeltsin should head the Communist Party to "bring order" to an organization adrift, freeing Gorbachev as President to run the country. Kapustin, on the other hand, says he admires Politburo conservative Yegor Ligachev—a man Yeltsin and the red-hots condemn as a saboteur of reform. Guliy idolizes onetime dissident Andrei Sakharov; Kapustin says Sakharov talks too much and believes most of what the prickly outcast turned people's deputy says is "slanderous."

The cautious Kapustin warns, "We need sober analysis and sensible decisions." Rubbish, counters Guliy. "People are thinking for themselves now, not doing what they are told."

The rail-thin, mustachioed Guliy, a 37-year-old crusading journalist at the local party daily *Soviet Sakhalin,* would have been a prime candidate for the prison camps, not parliament, in Joseph Stalin's day. As a youngster, he was expelled from the Communist youth organization, Komsomol, for not toeing the party line. Later, as a full-fledged Communist, he was reprimanded for divorcing his wife. It took an angry public outburst over official corruption to lift him from obscurity.

That 1988 eruption, known locally as "the May events," brought Yuzhno-Sakhalinsk to a standstill. "Put a shovel in the bureaucrats' hands," demanded one banner. Within a week, troubleshooters arrived from Moscow, cleaned out a holdover party boss from Leonid Brezhnev's time and stopped construction on palatial office buildings the party elite were building for themselves. "It was a revelation for people here, that they could take power and say what they really thought," says Sergei Mikhailov, a factory director and organizer of "the May events."

JEFF TRIMBLE—*USN&WR*

Taking heat. *Kapustin gets an earful of complaints*

Moscow installed Viktor Bondarchuk, a veteran apparatchik, as new party boss. But that wasn't enough to placate angry islanders. In the March election, Bondarchuk was soundly trounced by the upstart Guliy for deputy of the southern district.

Kapustin took a different road to Moscow. Now 50, he spent 14 years in the coal mines and has worked as an official of the state-sanctioned miners' union for the past seven years. Both the union and Kapustin have undergone drastic changes under Gorbachev, cut loose from strict supervision by the Communist Party. With his graduate degree from a party training school, Kapustin is the kind of career bureaucrat reformers like Guliy love to skewer.

Kapustin won one of 750 safe seats in the Congress that were reserved for organizations ranging from the Communist Party to the national stamp-collectors club. He was chosen by union members, not by the general public. These special deputies generally vote the conservative line in parliament, and their very presence angers the radicals. Kapustin concedes that the law likely will be changed before the next elections to open all seats to popular voting.

Remote battlefield. But Kapustin denies that he is a reform chameleon, insisting that he is a changed man. "I toed the line and did what I was told," he says of the past. "If I didn't carry out orders, I would have lost party backing. Now, if I get a stupid order from party organs, I argue." His willingness to change wins generally favorable reviews from the rank and file. "He is all right," says miner Vitaly Topalov. "Even Gorbachev was an apparatchik."

Kapustin's and Guliy's battle for *perestroika* is waged on a very remote front. The Russian writer Anton Chekhov visited Sakhalin in 1890 and described a miserable czarist prison outpost at the end of the world—a place of stark natural beauty populated by mosquitoes, bears, half-starved convicts, homesick soldiers and prostitutes. Sakhalin still retains shadows of its wild past. Bears occasionally wander into the outskirts of Yuzhno-Sakhalinsk, an unruly frontier town of 170,000 that is the island's capital. And islanders complain that Sakhalin remains a colony of the mainland, getting little in return for its rich exports of oil, fish, timber, paper and minerals. Although Sakhalin exports huge quantities of natural gas, islanders have no gas in their homes.

The island displays many of the jar-

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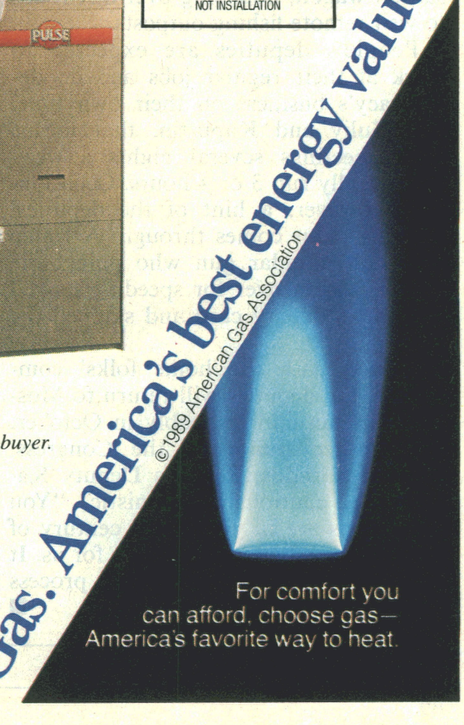
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ring contrasts that are a trademark of the Soviet reality of want amid plenty. Miles of the most popular beaches were temporarily closed to swimmers this summer because of unsafe levels of cadmium in the waters of the Aniva Gulf. Thanks to coal-fired power plants and the island's paper mills, Yuzhno-Sakhalinsk is one of a polluted nation's 68 most-polluted cities. This summer, huge forest fires, most of them started by carelessness, inflicted heavy losses on Sakhalin's logging industry.

Limited access. Sakhalin's physical isolation is exaggerated by its status as a closed border zone. Nonresident Soviet citizens may visit only with permission, and, until last year, foreigners could not visit at all. To most Westerners, Sakhalin is memorable only as the last point of land that Korean Air Lines Flight 007 crossed in 1983 before it was shot down by Soviet fighters. Long shared by Japan and Russia, Sakhalin has been entirely in Soviet hands only since the last days of World War II, when Red Army troops drove the Japanese off the southern half.

Just how much Guliy and Kapustin can do to remedy Sakhalin's problems is open to question. With the new parliamentary system just finding its legs, deputies can make a lot of noise, but they have little real power. Only members of the Supreme Soviet, the 542-member sitting parliament, receive official help with staff and local travel needs, and neither Guliy nor Kapustin was chosen to serve in that body this first year, so they are left to fend for themselves. Guliy has hired a part-time secretary out of his own pocket to help handle letters and phone calls from constituents. He tours the district in a friend's beat-up station wagon, bouncing over dirt roads to visit remote fishing outposts.

People's deputies are expected to work at their regular jobs and do democracy's business on their own time. For Guliy and Kapustin, that means voter meetings several nights a week that usually run 3 or 4 hours. Occasionally, however, a hint of the deputies' growing clout comes through. A traffic cop with a radar gun who pulled the station wagon over for speeding looked at Guliy's deputy card and skipped the ticket.

Armed with the home folks' complaints, the deputies will return to Moscow this autumn, probably in October, for another session of the Congress. Against all odds, People's Deputy Kapustin is cautiously optimistic. "You Americans are in your third century of democracy, while it still is new for us. It will take some time to get the process working smoothly." ■

by Jeff Trimble on Sakhalin Island

'There is little question that real change is afoot'

America's top military man gets a taste of *glasnost*

Earlier this summer, Adm. William J. Crowe, Jr., chairman of the Joint Chiefs of Staff, made an unprecedented official visit to the Soviet Union. *U.S. News* asked Crowe, who steps down as chairman next month, to reflect on the visit. Excerpts from his remarks:

■ **On how the visit came about.** In the summer of '88, Marshal Sergei Akhromeyev, then chief of the Soviet general staff, visited the United States at my invitation. We agreed that, in view of the courageous efforts of our respective political leaders to reduce tensions, our two militaries should explore ways to support them. At that time, the marshal invited me to visit the Soviet Union this year. (Akhromeyev is now a special military adviser to Mikhail Gorbachev; his successor, Gen. Mikhail Moiseyev, was Crowe's host.)

DOD

Meeting of the minds? *Crowe and Akhromeyev*

■ **On a career Navy officer boarding a Soviet *Kirov*-class cruiser.** Conflicting emotions flooded my mind. The *Kirov* is the most powerful surface unit in their naval inventory. For 40 years, I've watched the Soviet Navy expand its global reach and confront our own ships in every ocean. But hearing our national anthem played on the quarterdeck of a Russian man-of-war brought home, as no other gesture could, the changing times.

■ **On Soviet vs. American military hardware.** Bad weather disallowed an aerial demonstration by the Soviet Air Force in Kubinka. But we were shown some of the more sophisticated aircraft in their inventory. Climbing into the cockpit of a Blackjack bomber, the Soviet equivalent of our B-1, reinforced my appreciation for the qualitative comparability of our weapons systems. We had looks at other equipment as well—the T-72 tank, a Victor III nuclear attack submarine, the MiG-29 jet fighter, the Hind Mi-24 helicopter and many others. It left me with the clear impression that, like us, they know how to build and maintain good equipment.

■ **On putative cuts in Soviet defense spending.** There is a great deal of talk at all ranks about decreasing funds—not necessarily dissatisfaction with the system but the kind of grumbling I hear in our own tight fiscal climate. The release of 100,000 officers in so short a period of time is a real problem in an economic structure that is inflexible and claims to have full employment. It's also not clear how smoothly defense industries can be converted to production of consumer goods.

■ **On Gorbachev's *perestroika* and *glasnost*.** There is little question in my mind that real change is afoot. You hear it, see it, smell it everywhere. A common voice rings through—from the top people down through mayors and leaders of civic groups. They are all seemingly committed to fundamental economic and political reforms. Politically, they are beginning to adopt certain classic aspects of pluralism common to democratic systems. But it is still early in the game, and they are wading in uncharted waters. If genuine pluralism is to be ultimately achieved, it will require a massive reshaping of attitudes throughout the society.

■ **On the evolving superpower relationship.** We're entering a period of uneasy transition, which hopefully will lead to a new era in superpower relations. We should be deliberately exploiting some bridge-building opportunities but not closing out our options until the situation clarifies. It's curious. Many in the West seem to think they can predict where the U.S.S.R. is going when the Soviets themselves don't know for sure. But we need to move deliberately. We must avoid making great leaps based only on hope and faith. ■

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Has Britain's Iron Lady begun to rust?

After 10 years of radical change, the gloss is off Thatcherism

Icarus, the youth in Greek mythology who flew too close to the sun, knew the feeling. In four short months, Margaret Thatcher has seen rare triumph—three election victories and 10 straight years in power—turn to dross. At home, support for her policies and party is ebbing sharply. Abroad, she is at odds with her European, NATO and Commonwealth partners. Washington is no longer the cozy home away from home that it was during the Reagan era. The gloss, in short, is off Thatcherism.

Thatcher's fall from grace has been as unexpected as it has been rapid. On May 4, apparently flying high, she celebrated a decade in office. The same day, Welsh voters handed the Tories their worst by-election defeat at the hands of Labor in 50 years. A month later, the Tories lost their first nationwide ballot to Labor since 1974 in voting for the European Parliament. By mid-August, polls gave the Socialists an 8-to-10-point advantage. A headline in *British Public Opinion* sums up the shift: "Suddenly, she's not invincible."

The Iron Lady's corrosion at home is paralleled overseas. The NATO summit in May saw her fighting a rear-guard action to prevent the Atlantic Alliance from abandoning nuclear deterrence in Europe. She won, but the cost included a damaging split with West Germany and postponement of her cherished goal of modernizing NATO's nuclear weapons. Then, a Common Market meeting left Britain alone in its resistance to monetary union and further European integration. Most recently, Britain has been totally isolated by new Commonwealth efforts to tighten sanctions on South Africa, which Thatcher has opposed for years. And her "special relationship" with America is less special than at any time in the 1980s—a reflection of the Bush administration's view that Britain's importance as an intermediary between the U.S. and the Continent is declining.

What has gone wrong? "She has gone too far," Neil Kinnock, the Labor Party leader, claimed recently. What he meant was that the gap between a right-wing, radical government and a status-quo centrist public, ever present since 1979, has finally sprung open. On one level, the competitive, entrepreneurial, individualist Britain envisaged by Thatcher 10 years into her revolution remains out of tune with majority sentiment. On another, Britons increasingly believe it simply is time for a change.

Surveys taken to coincide with Thatcher's 10th anniversary in office found Thatcherite ideas "in retreat on almost every front," to quote Gallup. Seven times more Britons, for instance, want to see state services extended rather than cut (as Thatcher prefers), even if taxes have to be raised. More people in 1989 than in 1947 look to government to guarantee job security. The National Health Service, another Thatcher bogy, has never been more popular.

Thatcher's longstanding personal liabilities—her abrasive bossiness and blinkered self-assurance—also are catching up with her. Never popular but always respected, she is viewed as increasingly out of touch with the aspirations of ordinary folk. "She's trying to make this country into a two-tier system," a voter in the Vale of Glamorgan by-election in Wales complained in April. "One for the rich and one for the poor."

The buck stops here. Part of Thatcher's problem is her very success. After the longest unbroken run in power since Lord Liverpool (1812-27), her preeminence has left her isolated politically and without confidants willing to dissent. Inevitably, the buck always stops at No. 10 Downing Street. Urged by all sides to reorganize her cabinet and broaden its appeal, the Prime Minister surprised everyone in July with the biggest government reshuffle in 27 years. But in promoting younger politicians who might conceivably replace her one day, she also managed to alienate senior colleagues, perplex voters with clumsy backstage maneuvering and lay herself open to charges of political incompetence.

Many of her achievements, moreover, are now taken for granted. Wildcat strikes this summer have hobbled Britain's docks and railroads. In the early 1980s, the unions would have been blamed. But today, unions often are depicted as victims, and Thatcher is blamed for allowing inflation to surge and for cutting spending on the country's tattered transportation infrastructure.

For the first time since she became Prime Minister, Thatcher also faces real opposition. Devastated by a defeat in 1987 that left the Tories with a huge 101-seat majority in Parliament, Labor three months ago unveiled policies more in tune with the national mood than any it has presented since 1964. Support for unilateral disarmament, above-the-law unions and nationalization was ditched.

In contrast, Thatcher's restless reforming zeal this year has led her to pick fights with doctors, nurses, lawyers, dockers, teachers, brewers and at least

LINDA L. CREIGHTON—USN&WR

Rain on her parade. *Thatcher still dominates Britain, but her domineering style is wearing thin* half the population who pay property taxes. In part this is a deliberate strategy to get unpopular change out of the way well before the next election, due in 1991-92. Yet it also reflects an underlying unwillingness by the British leader to admit error or to accept any view but that of the Tory right.

Had Britain's economic performance this year equaled the boom days of 1987-88, none of Thatcher's troubles might have mattered much. But growth has slowed, inflation has doubled to 9 percent, interest rates have risen to 14 percent, and the trade deficit has mushroomed (it is likely to top $30 billion this year).

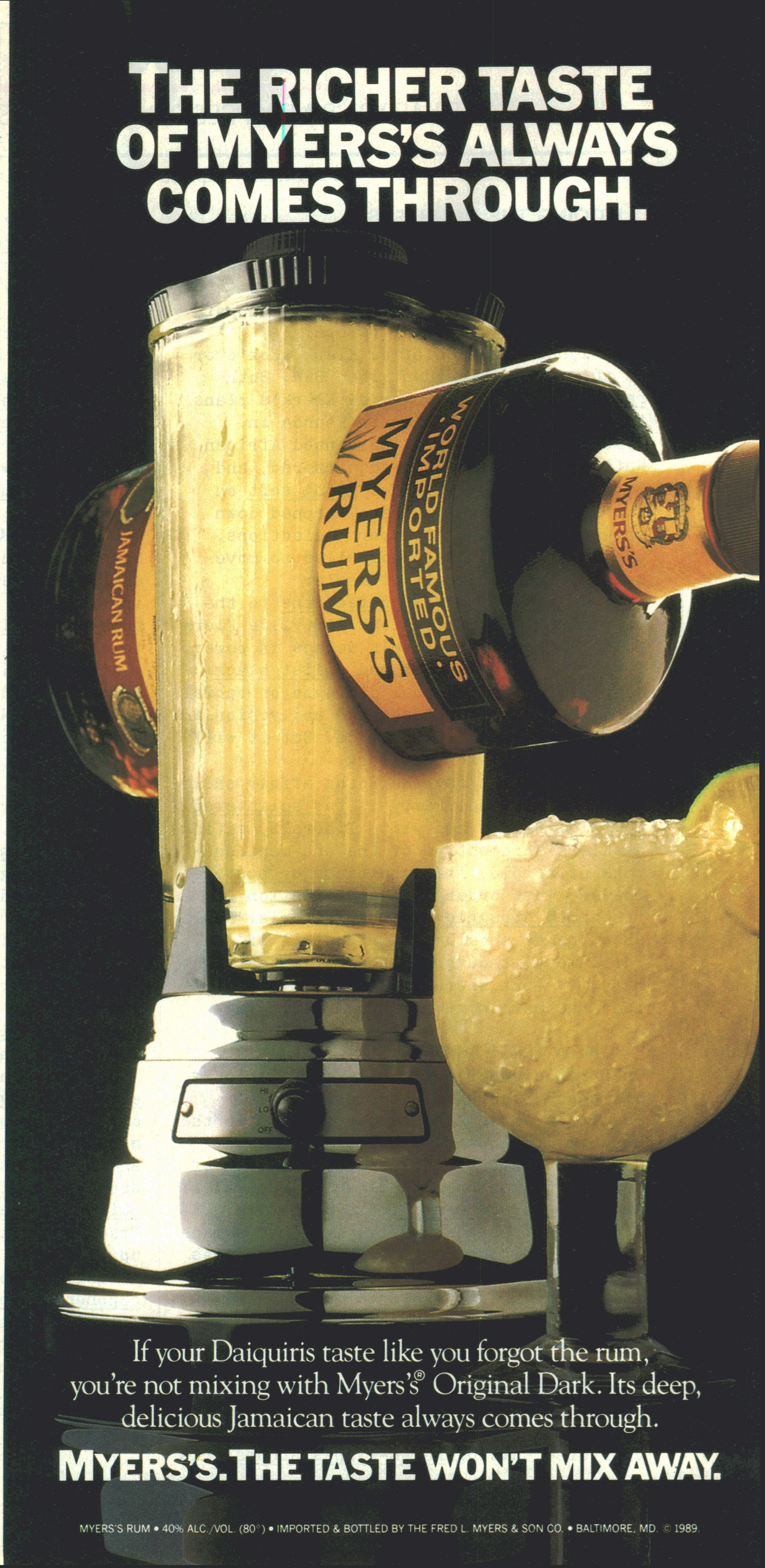
Thatcher remains a formidable campaigner with plenty of cards to play. "The only game in town in most British elections is the economy," says Robert Worcester of Market & Opinion Research International, one of Britain's leading pollsters. "If people feel optimistic about the future when they vote, she will win. Her position is easily retrievable."

Uneasy peace. Labor, meanwhile, is less secure than its lead in the polls suggests. Doubts persist about Kinnock's ability. The party remains split on defense policy. Its hand-in-glove relationship with the trade-union movement still weakens its credibility. And many of Labor's new policies are uneasy compromises between left and far left that could easily disintegrate. A party conference in October called to ratify the updated platform will sorely test party unity.

But Thatcher, too, is moving toward the center. Within days of the recent government reshuffle, some unpopular policies on the environment began to be amended. Abroad, too, a less confrontational stance is in prospect. This was heralded early this month by an unexpected invitation to President François Mitterrand to visit Britain in September in an attempt to patch up Anglo-French relations. Within Europe, a compromise over NATO's arms-control stance has been struck, and one over the European Community's monetary union looks probable.

Such tacks, of course, beg the central question: Is Margaret Thatcher's current decline terminal or merely a bad case of midterm blues? Concedes author Paul Johnson, a supporter: "She's going to find it much more difficult this time to lift herself out of the trough." But she still knows, in the phrase of her best biographer, Hugo Young, how to touch "the majority nerve," and she will fight to the last. For all her difficulties, she still bestrides the British scene like a colossus. But so did Winston Churchill in 1945 as he lay in his bath awaiting word of a "certain" election triumph. ■

by Robin Knight in London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WORLDGRAM

SOUTH AFRICA'S NEW PRESIDENT WRESTLES WITH DISUNITY

PRETORIA • ADDIS ABABA • MANAGUA

WOOING THE DOUBTERS

South Africa's new leader, F.W. de Klerk, will need more than political savvy and fresh style to unify a divided white minority, let alone attract black support with promises of racial reform.

National Party chief de Klerk took over as the acting President when P.W. Botha resigned in a pique over de Klerk's plans to visit President Kenneth Kaunda in Zambia. That is where the banned African National Congress is headquartered, and Botha accused de Klerk of going soft on the ANC. Botha was to have stepped down anyway after the September 6 elections, but de Klerk has felt compelled to move swiftly into the role of healer.

To deter Nationalist defections to the ultrarightist Conservative Party, de Klerk fulsomely praises Botha's decade in power. To woo white moderates and enlist black support for an eventual dialogue on racial reform, he calls for courage and vision in creating a just South Africa. But it will be a hard sell for de Klerk.

Conservatives say the Botha affair shows that the National Party is too splintered to rule. Blacks and white liberals, citing de Klerk's rejection of the one-man, one-vote principle, are suspicious or hostile. The ANC just ordered intensification of its armed struggle against Pretoria. Polls show the NP should retain control of Parliament--though perhaps not an outright majority--but where de Klerk can and will lead the nation remains in doubt.

A NEW U.S.-ETHIOPIA CONNECTION

Once rancorous relations between Ethiopia and the U.S. are fast improving as a result of Addis Ababa's cooperation in the hunt for the downed plane of Representative Mickey Leland. But talk of major diplomatic initiatives or renewal of American development aid is premature.

President Mengistu Haile Mariam has made no secret of wanting to restore firm ties to obtain U.S. aid. His Communist regime is losing the war against rebels in Eritrea and Tigray. The economy is in ruins. His Soviet ally has served notice that arms shipments are about to end. A recent attempted coup, though crushed, raises doubts about Mengistu's grip on power. The U.S. had rebuffed his overtures, citing human-rights abuses, his refusal to agree to peace talks with the rebels and inept economic policies that make aid a dubious investment.

The climate is changing. Even before he granted U.S. planes and personnel unusual freedom of action in the Leland search, Mengistu had made peace overtures to the rebels; talks will begin soon. Now, U.S. and Ethiopian officials talk of expanded communications. Still, without a truce in the civil war, guarantees of human rights and steps toward economic efficiency, the U.S. isn't about to bail Mengistu out.

NO TURNING BACK IN NICARAGUA

Both Nicaragua's Sandinistas and their Contra enemies seem to be headed down irreversible courses, the Contras toward apparent oblivion and the Managua regime toward grudging electoral reform.

With the signing of the Central American summit accord to demobilize the Contras by December 1, Nicaraguan President Daniel Ortega has secured a long-sought timetable for putting the rebels out of commission once and for all. To those vowing to fight on, with or without U.S. aid, Ortega has sent a clear warning: Accept amnesty or risk extermination.

Yet Nicaragua's electoral course seems equally fixed. Managua is committed to reforms that should make fraud difficult to hide. By the election date, February 25, the country will be a fishbowl, filled with observers of every political stripe. To renege or crack down on critics would cost the regime the very international legitimacy and financing that it seeks.

What Ortega does have going for him are electoral advantages that he hopes will obviate any need for fraud or repression--a hefty bankroll, control of most media and an impressive network of organized supporters. The regime also is seeking to build its image by pledging a fair vote, freeing political prisoners and stepping up the drive against hyperinflation.

That may not be enough. Formerly feuding opponents are coalescing. The 14 parties in the biggest opposition group will soon issue a platform and name a presidential candidate. Such unity could threaten the Sandinistas' rule, if indeed they are prepared to accept the election results.

by Gerson Yalowitz with foreign-bureau reports

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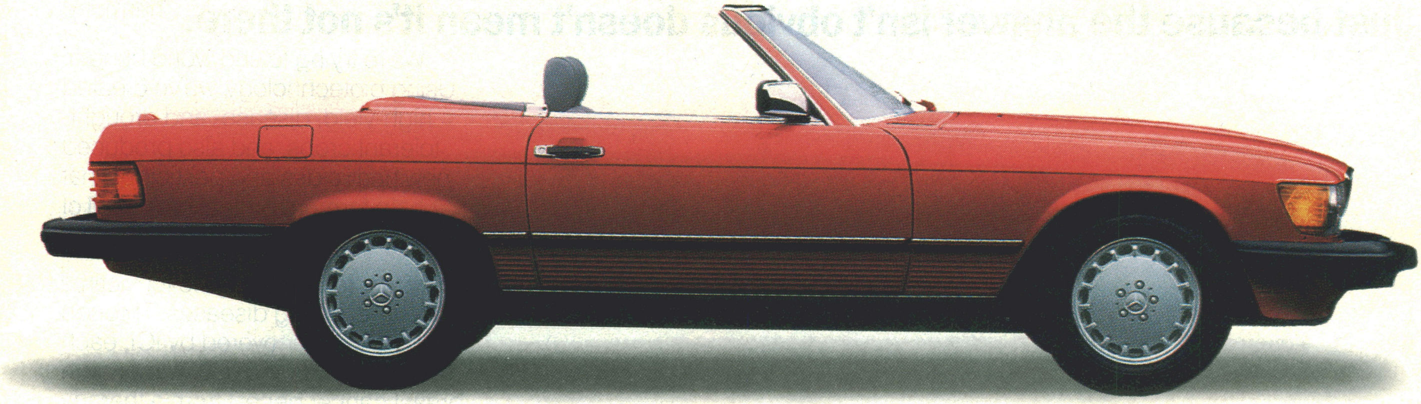

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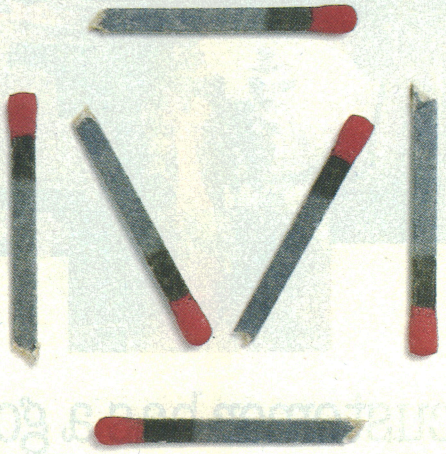

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Breaking the ice on assets

Iran's need to rebuild its economy gives Bush a chance to deal

When Iranian President Ali Akbar Hashemi Rafsanjani took his oath of office August 17, he announced his top priority would be to improve the living standards of his war-battered nation, still bleeding from its eight-year conflict with Iraq. That enormous and costly task may increase the pressure on Teheran to find a way to release billions of dollars frozen by the U.S. or tied up in litigation.

The Bush administration continues to insist that there is no link between the Iranian assets and Americans being held captive in Lebanon. The White House denies, too, that the U.S. has control over the complex web of U.S.-Iranian financial disputes being adjudicated at a special tribunal at The Hague. But if Teheran makes more serious overtures to aid the hostages in the future, President Bush may want to examine several options for breaking the current deadlock.

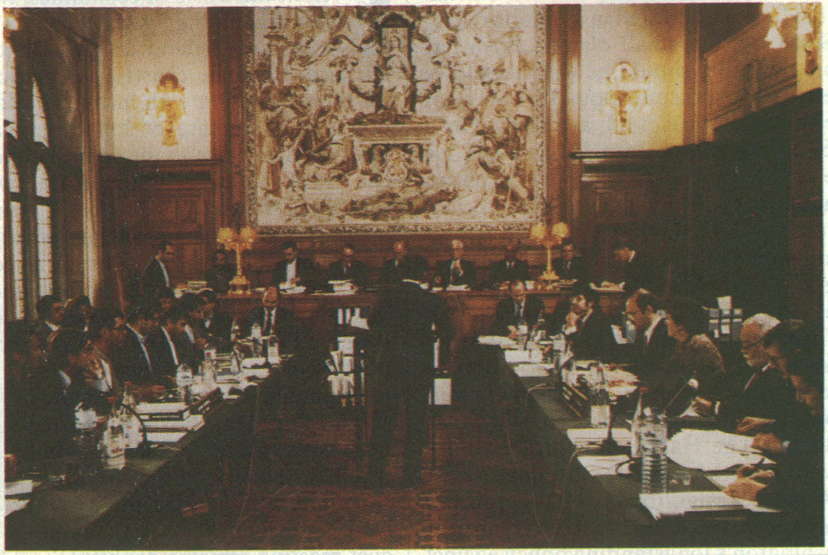
Any new approach to the financial dispute would have to resolve the thousands of lawsuits now being litigated at The Hague. When the Algiers Accords were signed in 1981, resulting in the release of 52 American Embassy personnel held captive in Teheran for 444 days, the U.S. returned $3.89 billion in funds directly to Iran after the hostages were freed. The accords also created the special tribunal and three separate escrow accounts containing Iranian money to compensate banks, companies and individuals with outstanding claims.

Paper chase. For the past eight years, three Iranian, three American and three neutral-country jurists have been laboring in mostly peaceful obscurity in the Netherlands, resolving hundreds of claims. To date, the tribunal has awarded more than $5.9 billion to U.S. citizens and banks, and $622 million to the government of Iran and Iranian nationals. Only once, in 1984, did tensions explode when two Iranian judges assaulted a Swedish colleague for being too pro-American; one Iranian reportedly vowed, "Either his corpse or mine will leave [the tribunal] rolling down the stairs." The court closed for four months while the Iranians were replaced and the Swede retired.

Teheran may become more impatient with the tribunal's glacial pace, especially now that it desperately needs the cash to rebuild its war-damaged industries. Iran claims it is owed more than $11 billion for military equipment the U.S. refused to ship and for defense contracts the Pentagon canceled. The tribunal has ruled that America must give Iran its money, but the U.S. disputes the Iranian estimate and demands that each of the 2,800 contracts in question be scrutinized individually. The U.S. also continues to hold Iranian payments and has sold off some of the hardware. Four frigates built for the Shah were turned over to the U.S. Navy.

The Bush administration could break the logjam by beginning negotiations with Iran for a comprehensive settlement on these military contracts. Iran can probably be bargained down from its inflated $11 billion claim. In 1980, Iran began the hostage negotiations by demanding $24 billion in compensation, eventually settling for less than $4 billion.

Resolving the thousands of private U.S. claims still outstanding is more diffi-



This special tribunal at The Hague has resolved hundreds of financial claims

Frozen commerce

Of the nearly $10 billion in Iranian assets transferred out of the U.S. in 1981, $6.1 billion was placed in escrow accounts administered by the court of world appeals in The Hague. The rest was returned to Iran.

■ BANK CLAIMS

Of the **$5.1 billion** placed into escrow accounts to pay U.S. bank claims and syndicated bank loans—

$4.9 billion: Paid to banks

$492 million: Returned to Iran

$812 million: Remains in the two accounts

■ GOVERNMENT AND PRIVATE CLAIMS

Of the **$1 billion** placed in an escrow account in N.V. Settlement Bank in the Netherlands against private and government claims—

$1.27 billion: Awarded in 384 claims by U.S. nationals

$118 million: Awarded in four claims by Iranian nationals.

Iran must replenish the account whenever it falls below $500 million.

■ MILITARY CLAIMS

$20 billion plus

More than 2,800 contracts involving 3,800 U.S. military items remain in dispute. Iran is demanding compensation for over $11 billion, but the U.S. says the total is far less.

AFP

Rafsanjani vows to improve living standards

Note: More than 2,462 private claims and 36 government claims worth billions remain. The amounts paid out of each account are greater than the original totals because of accrued interest.
USN&WR—Basic data: U.S. Dept. of State

cult. Many large firms, such as Phillips Petroleum and R. J. Reynolds, have won multimillion-dollar settlements from the court or reached private agreements through direct negotiations with Iran that the tribunal later ratified. Big claimants might not want to be swept into a comprehensive settlement. "They have been successful at the tribunal arguing their own cases," says a State Department official. "They're not interested in us taking over."

Small fry. On small claims, Bush has more flexibility should he wish to resolve the remaining disputes quickly. Some of the suits are bogus, such as one filed by a U.S. citizen asking Iran for damages for the 1918 cancellation of his Russian grandfather's fishing license. For any valid claims, Washington could propose a lump-sum settlement. The U.S. has tried this approach, but Iran insists that each of the 2,383 small claims be tried individually. In a warmer political climate, compromise might be possible. In addition to freeing funds, a grand settlement, says Howard Holtzmann, one of the U.S. judges at The Hague, "could greatly relieve the workload of the tribunal."

A more straightforward but politically risky approach would involve a reversal of Washington's longstanding policy against negotiating with terrorists, cutting a funds-for-hostages swap similar to the Algiers Accords. At the moment, observes Patrick Clawson of the Philadelphia-based Foreign Policy Research Institute, "the U.S. is prepared to give back the money without getting anything in return." With the tribunal's machinery grinding on, Clawson warns that the U.S. may eventually be obliged to pay settlements without winning freedom for any of the captives. This happened once already in 1987, when the tribunal ordered the U.S. to return $454 million to Iran.

A deal not only could resolve the hostage dilemma but help U.S. businesses as well. In return for the captives' release, says Clawson, Washington would pay Iran a reasonable sum for its U.S. military purchases, agree on a comprehensive settlement for any remaining U.S. private and government claims and transfer those claims from The Hague tribunal to U.S. jurisdiction. Such a move would speed up compensation for U.S. companies, and Teheran could reclaim the rest of its money now tied up in escrow accounts.

For the moment, Bush says he will do nothing that might be construed as a quid pro quo for the hostages. But administration officials admit that sooner or later the U.S. will have to reimburse Iran for the military hardware it never delivered, now Bush's key lever for prying concessions from Iran. It remains to be seen if the U.S. will get something in return. ■

by Louise Lief

The Fed's hot seat at Darman's breakfast table

Battling the bulge has the budget chief petulant

Even in the world of economics, there is no accounting for taste. Only a few weeks ago, federal Budget Director Richard Darman chastised Americans for their obsession with instant gratification at the expense of long-term gain, likening the nation to the spoiled child in the 1950s cereal commercial who squawks, "I want my Maypo! I want it now!" But Darman himself has joined the demanding breakfast chorus. If a recession comes, he admonished on a Sunday talk show, it will be because the Federal Reserve Board "erred on the side of caution" by not pushing down interest rates enough to keep the economy afloat. President Bush supported Darman's call for lower rates, but whether their double appeal will carry any weight with the central bank's policymakers at their August meeting remains doubtful.

Fed bashing by nervous administration officials is one of Washington's hoariest games. Still, the budget boss's timing seems particularly odd. Not only have both long-term and short-term interest rates come down by about a percentage point since spring but financial-market fears of a recession have nearly evaporated. Indeed, many analysts predict a brisk rebound. "We could be in for a big surprise," says Morgan Stanley economist Stephen Roach. He looks for the economy to grow at an inflation-adjusted annual rate of 3 percent through year's end, about twice the pace for the first six months.

Happy days. New indicators support such optimism. Consumers are spending again. Retail sales jumped 0.9 percent in July after a sluggish start this year. Housing starts surged for the second straight month, and deep discounts helped spur sales of U.S.-made cars and trucks by 8.2 percent in early August. Production is picking up, too. Factory output rose by 0.2 percent in July, the first gain registered in two months.

Given those favorable signs, Fed policymakers are expected to ignore the administration's call for lower interest rates for now. For more than a year, the central bank's strategy has been to cool off inflation by slowing the economy's growth as much as possible without prompting a recession. So far, the policy appears to be working beautifully. After rising at a 6 percent clip in the first half of the year, consumer prices now are expected to move up no more than 4 percent. The consumer price index rose only 0.2 percent in July, the same as in June. The annual rate for the two months was 2.4 percent. For the Fed to lower interest rates now would risk losing the gains made against inflation. Market forces have nudged rates up, and some seers say the trend could continue for a while.

If the economy is faring so well, why is Darman clanging alarms about interest rates? Some economists suspect the budget *Meister* may be playing politics. With the Democrats in charge of Congress, squeezing the $150 billion deficit under the $64 billion Gramm-Rudman-Hollings target for fiscal 1991 appears almost impossible as long as President Bush sticks to his vow not to raise taxes. But falling interest rates would aid the budget boss immensely by cutting the Treasury's borrowing costs. Also, a surging economy would generate more tax revenues.

DARRYL HEIKES—USN&WR

He wants his Maypo. *Budget chief Darman*

That kind of instant gratification might help balance the federal books, but it would invite higher inflation in the long run. If that happens, budget chief Darman may find himself eating his words along with his porridge. ■

by Monroe W. Karmin

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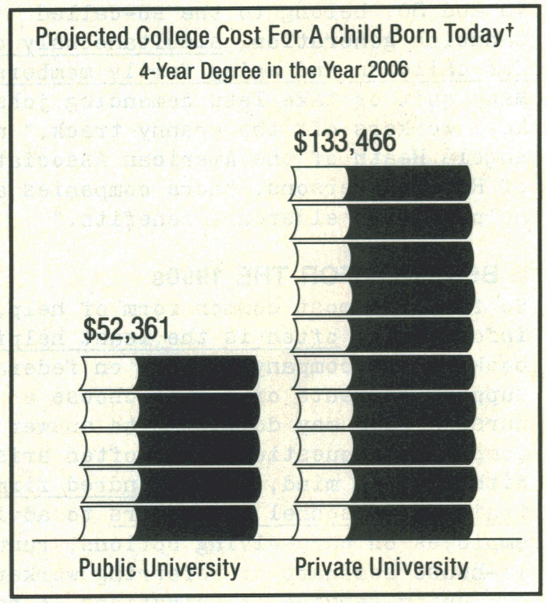

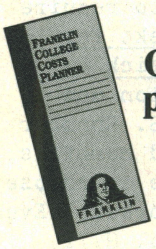

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ECONOMIC OUTLOOK

BIG BUSINESS AND THE GRANNY TRACK

GENERATION GAP

Fifteen years ago, pioneering firms assisted employes with child care. Today, corporate trailblazers are helping workers look after their aging parents. While most "eldercare" benefits simply provide geriatric health information, some firms offer liberal leave policies and expanded insurance coverage.

Increasingly, taking care of business means accommodating families. Corporate surveys reveal that close to 10 percent of the work force have everyday responsibilities caring for elderly relatives. Some 2 million Americans, mostly working women between the ages of 40 and 50, belong to the so-called sandwich generation, simultaneously caring for children and aging family members. Many quit or take less demanding jobs. "To keep workers off the granny track," notes Angela Heath of the American Association of Retired Persons, "more companies are helping with eldercare benefits."

BENEFITS FOR THE 1990s

So far, the most common form of help, information, often is the least helpful. A book in the company library on federal support payments or how to choose a nursing home may do little to answer the complicated questions that often arise. With that in mind, a few hundred firms are training personnel counselors to advise employes on care-giving options, running in-house seminars or referring workers to community-service organizations. A handful of large companies have tied up with national dependent-care consultants, allowing an employe in one part of the country to pick up the phone and get help for a relative residing somewhere else. Half of all care-giving employes have aged family members who live far away.

One of the most comprehensive networks is run by Work/Family Elder Directions, a Massachusetts-based consultant that counts IBM, Aetna Life & Casualty and Johnson & Johnson among its clients. The group arranges for a health professional to aid an employe in making care arrangements and periodically checks on an elderly relative who lives in another city. Stride Rite Shoes of Cambridge, Mass., plans to open an on-site day-care center for 24 seniors in December, while other companies are helping with liberalized leave policies. A standard-setting benefits pact signed this spring by AT&T and its major unions allows workers to take up to one year of unpaid leave to care for ailing relatives. Upon return, they get back their old jobs.

Caring for an elderly parent is expensive. The average cost of nursing-home care runs around $25,000 a year. To cushion the blow, firms such as Procter & Gamble let workers purchase long-term health-insurance coverage for elderly parents at favorable group rates. Premiums are deducted from the payrolls.

BABY-BOOMERS AND THEIR PARENTS

Many companies have come to see eldercare as a competitiveness issue. Some firms find they must offer such social benefits to recruit and retain the brightest workers in a shrinking labor pool. Moreover, employes with eldercare responsibilities, like those with child-care needs, tend to have higher rates of tardiness and absenteeism. Surveys also note that 12 percent of care givers quit jobs to take care of elderly parents; another 15 percent take part-time jobs. The numbers will grow as baby-boomers and their parents age. Americans 85 and older are the fastest growing segment of the population, expected to reach 5 million by the year 2000, up from 2.9 million now.

THE POLITICS OF CARE

Politicians, too, are responding to these demographic pressures. Congress this year expanded parental-leave bills to require mandatory leave of up to 10 weeks for employes with sick parents or sick children. The Bush administration and business groups, led by the U.S. Chamber of Commerce, object to mandated benefits, saying companies should be able to choose which options to offer their workers. Even if the bills bog down on Capitol Hill, states are passing legislation of their own. Wisconsin, Connecticut, Maine and Maryland have new laws mandating leave for workers to take care of elderly relatives, while West Virginia and Oklahoma have similar provisions for state employes. When even politicians see reason to push for eldercare, it is a good bet the benefits will move from fad to familiar in the next several years.

by Joseph P. Shapiro

DEWAR'S PROFILE:

PETER NORTON

AGE: 43.

HOME: Santa Monica, California.

PROFESSION: Computer wizard. Chairman and CEO, Peter Norton Computing Inc.

HOBBY: Making contributions to L.A.'s many art museums. "When life hands you a large slice of the pie, you share."

LAST BOOK READ: *Don Quixote*, Miguel de Cervantes.

LATEST ACCOMPLISHMENT: Seeing his name in lights. At the Museum of Neon Art where he's on the board of directors.

WHY I DO WHAT I DO: "As a kid, I loved those things on your coat that were supposed to keep you from losing your mittens. Who else would design a program to find information 'lost' in your computer and then build a business on it?"

QUOTE: "I can't believe my life is happening to me."

PROFILE: Quiet, committed and independent. "Not really, I'm just your classic nerd who got lucky."

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Have laptop, will travel

COMPUTERS ■ How to find a portable machine to fit your needs

For computer users on the go, laptops seem to be a dream realized. Smaller than a briefcase, able to run the same software programs as deskbound computers and, best of all, powered by rechargeable batteries that cut the user free from wall outlets, portable computers have consumers entranced. Computer-industry experts expect more than $1.5 billion will be spent on laptops this year alone, up some 30 percent from 1988. Everyone seems to be looking for a reason to sling a laptop over a shoulder and head off to pound the keyboard at the beach or aboard a jumbo jet.

Like most dreams, the reality is somewhat less glamorous. Buyers should be aware that a typical laptop is not simply a lightweight version of an office PC, easily tucked into a briefcase with room left for a ham sandwich. On the contrary, laptops often feel heavier than they look and have limitations that office PC's do not. Possibly the worst problem is that the batteries powering today's machines generally provide 2 to 5 hours at best before they need a recharge, pooping out before you have time to fly coast to coast. Most laptop screens, moreover, are much less crisp and bright than a desktop computer's display. Where manufacturers seem to have solved one problem, another can crop up. A laptop with a clear, readable display and plenty of chip and disk memory for dealing with large spreadsheets and other memory-gobbling programs may weigh several pounds more than its brethren, come with a hefty price tag and run down its batteries in the course of a business meeting. Another may run longer and cost half as much, but its keyboard and display may be barely adequate. Nonetheless, most users are more than happy to accommodate these faults in exchange for the newfound freedom a laptop computer confers.

Not a carry-on desktop. A common and expensive mistake is to assume that you need a laptop that matches the power of a desktop computer. That may be true for an investment banker brokering deals between business behemoths. But most laptops are used for word processing, a simple task for just about any machine. Still, people seem to like laptops that outrun their needs. Compaq Computer's powerful SLT/286, for example, is a $5,399 laptop popular with businesses. Many traveling computer users would be reasonably happy instead with Toshiba's T1000, which has one disk drive and a list price of $999 but can be found for under $600. That's about the price of a stripped-down desktop PC.

Most laptops divide naturally into three broad categories. A student interested in taking notes during lectures or a library researcher copying citations from scientific journals could easily get by with a low-end laptop, one that in no way mimics a desktop PC but is light, small and capable of running for many hours. Tandy's Model 102, which sells for less than $600, constitutes the entire category. It has no disk drives, a screen that displays only eight 40-character lines, very little internal memory and cannot run most popular software programs. On the other hand, it weighs a

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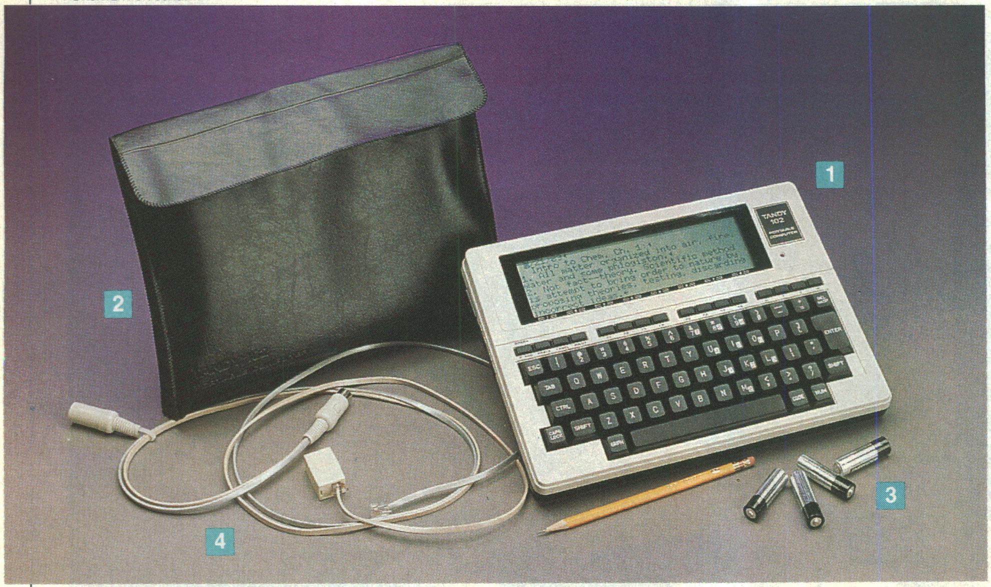


AT THE LOW END

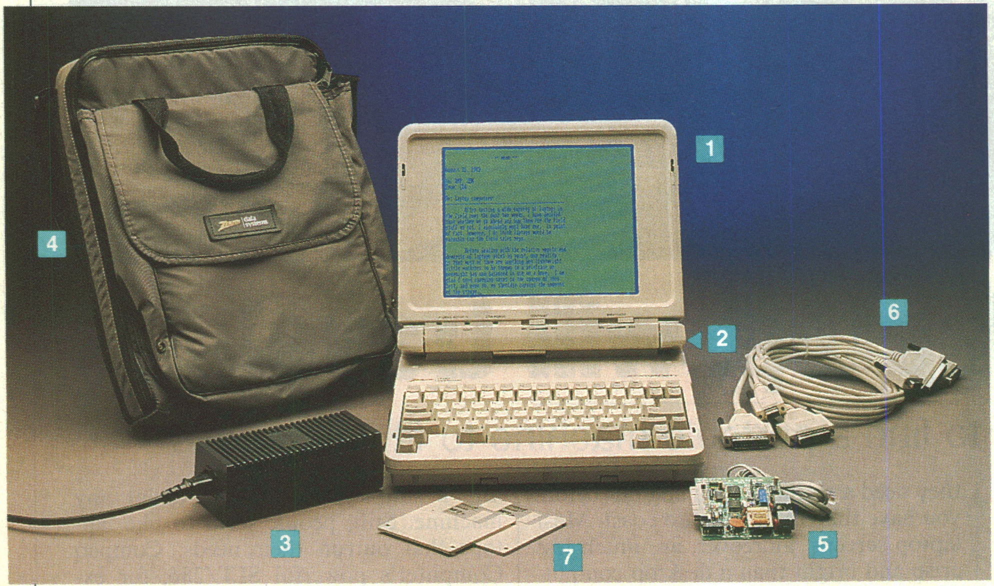
The Tandy 102 stands alone. It is fine for notes and short memos. The cost with all options shown is about $655; the weight is 3.6 lb.

1 **Tandy 102, $599, 3 lb.** *This "notebook" laptop is small and light, runs for a long time on cheap and available batteries, and comes with internal 300-baud modem and programs for word processing, telecommunications and scheduling. Drawbacks include an eight-line, 40-character display, no disk drive and very limited memory.*

2 **Carrying case, $32.95, 4 oz.**

3 **Four AA alkaline batteries, $3 to $5, 3.5 oz.**

4 **Modem cable, $19.95, 2.5 oz.**



THE MIDDLE RANGE

Word people are special fans of this class. But the price of portability for one typical machine tops $2,900 and 17 pounds, add-ons included.

1 **Zenith SupersPort Model 2, $2,399, 9.7 lb.** *Comes with two 3½-inch, 720-kilobyte disk drives. Backlit screen is fairly bright and readable. A rebate program is in effect.*

2 **Battery pack, included, 2.6 lb.**

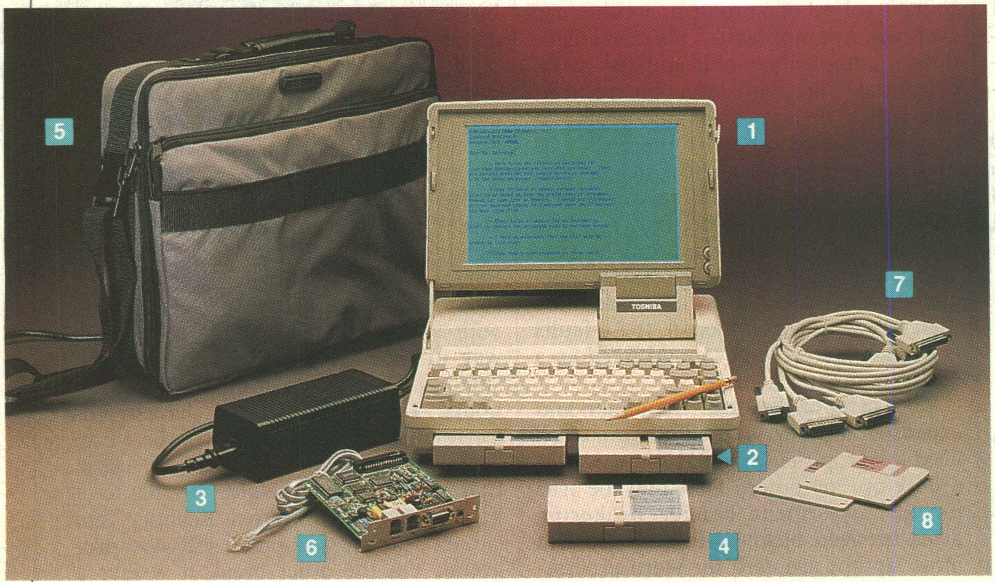
3 **AC adaptor/battery charger, included, 1.5 lb.**

4 **Carrying case, $59, 1.5 lb.**

5 **Modem and modem cable, $299, 3.5 oz.**

6 ***LapLink III* software (not shown) and cable, $139.95, 1.5 lb.**

7 **Two 3½-inch, 720-kilobyte diskettes, $20 for box of 10, 1.9 oz.**



PREMIUM AND PRICEY

These powerful, feature-rich machines can cost $8,000. With options, this model lists at $5,770 and weighs a shoulder-sagging 17.7 pounds.

1 **Toshiba T1600, $4,999, 10.7 lb.** *Includes 1.44-megabyte floppy-disk drive, 20-megabyte hard-disk drive, 1 megabyte of internal memory; can run large spreadsheets.*

2 **Battery pack, included, 15 oz.**

3 **AC adaptor/battery charger, included, 1.6 lb.**

4 **Spare battery pack, $129, 15 oz.**

5 **Carrying case, $89, 1.6 lb.**

6 **Modem/modem cable, $399, 6 oz.**

7 ***LapLink III* software (not shown) and cable, $139.95, 1.5 lb.**

8 **Two 3½-inch, 1.44-megabyte disks, $70 for box of 10, 1.9 oz.**

mere 3 pounds and will operate up to 20 hours on four AA batteries. Its built-in software is almost intuitive to use, and documents written on it can be printed out or easily transferred to just about any computer from an Apple II to an IBM PC or Apple Macintosh.

In the middle range, laptops tend to carry list prices of $2,000 to $3,500, weigh 10 pounds and up, come with one or two disk drives and be compatible with the IBM PC and its clones, so they can run most of the same software programs. Discounts can reduce the price below $1,500. The Zenith SupersPort with two floppy-disk drives, for instance, has a list price of $2,399, but the current "street price" is just over half that. Since these laptops are barely more powerful than the desktop machines of several years ago, recalculating a spreadsheet may take long enough for a quick catnap, and some software written for newer PC's with faster and more expensive chips may not run at all. But a midrange machine might suit, say, a drug salesman traveling from hospital to hospital with price lists, lengthy product descriptions and detailed files for all his customers on separate diskettes, or a person traveling to vacation spots on weekends and holidays while trying to write the Great American Novel.

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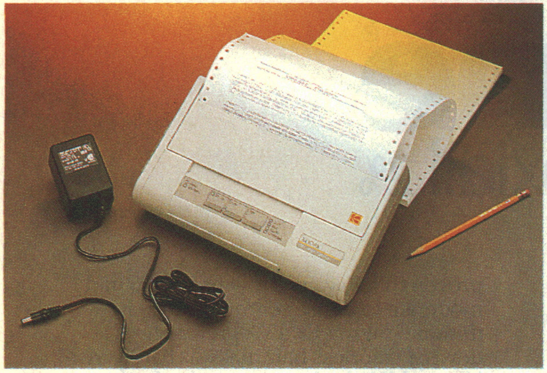


Printer to go. *Kodak's Diconix 150 Plus can run on batteries, costs $499 and weighs only 3.7 lb., even with five C cells. The AC adapter adds 12 oz.*

Top-tier laptops, priced from $3,500 to more than $7,000 before discounting, often have high-resolution displays, hard-disk drives, fast microprocessors like Intel's 80286 at their heart and copious internal memory. Some computer experts write off these machines as purely status symbols. "How many guys want to jump on an airplane and recalculate an enormous *Lotus 1-2-3* spreadsheet at 30,000 feet?" asks Mark Eppley, president of Traveling Software, a Bothell, Wash., company that specializes in producing laptop programs. A few people might need the extra speed and number-crunching power, such as an accountant working on an out-of-town client's year-end financial statement, or a real-estate developer trying to determine potential cash flows from a large office complex. But the high price brings no added oomph in battery life, and sometimes less because of all the add-ons. And all that leading-edge technology can tack on a pound or two to the machine's weight.

Viewability and heft. The trade-offs between how a particular machine displays and stores your work, plus its size, weight and price, make picking the right laptop much thornier than choosing a desktop. For some people, one look at a laptop display may be their last. Instead of the cathode-ray tube used in desktop machines, most laptops employ a liquid-crystal display (LCD) similar to that on a digital watch. An LCD has no internal light source of its own; rather, it reflects the ambient light in the room. The brighter the room lighting, the brighter the display, so a basic screen like the kind on Toshiba's T1000 and other laptops at the low end of the midprice range may barely be intelligible in a darkened airplane or lecture hall. "Backlit" LCD screens, a step up in cost, have built-in lighting and are much more readable, but the backlighting drains the batteries and can cut in half the available computing time between recharges.

Size and weight are also critical. Will you be able to fit the computer into a briefcase with your other necessities, or will adding the computer mean hefting two bags instead of one? The difference between a 14-pound and an 11-pound machine will become painfully clear the first time you lug one through an airline terminal for half an hour. Moreover, you have to take into account not just the computer but its battery pack, charger and such add-ons as a modem and carrying case. For instance, Zenith's SupersPort Model 2 weighs only 9.7 pounds and folds into a package about 3 inches high and 12 inches square. Add a battery pack, which you must have to run the machine without plugging it in, and you pick up 2.6 pounds and more than 3 inches in overall length. The AC adapter that doubles as a battery charger adds an additional 1.5 pounds.

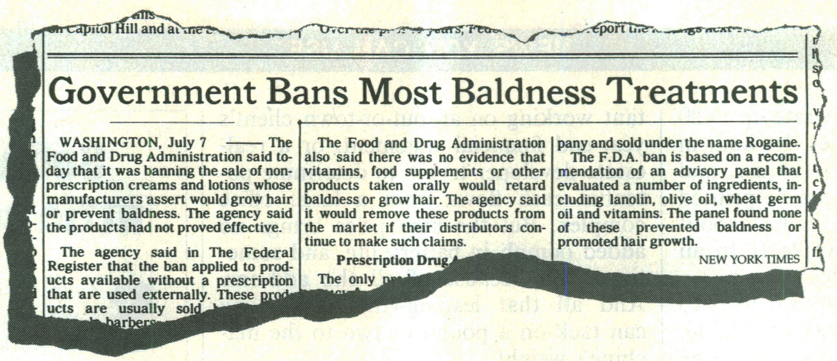
Since batteries drain quickly, especially in higher-priced, high-powered laptops, one solution for some users might be to dispense with batteries altogether. Not only will this lighten your load but some laptops are designed to run only when plugged in. Since they do not rely

Software for little computers

Several software companies have come up with products that work happily with laptop computers. Some combine word processor, spreadsheet and filing program into one package, so users can move data from one part of the package to another as well as to a desktop machine. Two highly praised examples of this "integrated" software are *PFS:First Choice* (Software Publishing, list price $159) and *Microsoft Works* (Microsoft, $149). *First Choice* has won raves because it is easy to learn; *Works,* because it has special features, such as the ability to split the screen into "windows," each of which can display different kinds of information. With your spreadsheet visible in one part of the screen, for instance, you can select and copy key figures into a memo to the boss displayed next to it.

Headache relief. Other programs are designed to correct common laptop headaches or make laptop life easier. *Battery Watch* (Traveling Software, $39.95) stands guard over a laptop's most critical component by constantly reporting on the amount of computing time you have left before the battery dies. With some laptops, the screen pointer, or cursor, dims or even vanishes so you have no way to tell where you are. SkiSoft Publishing of Lexington, Mass., has won many a laptopper's heart with its *No-Squint Laptop Cursor* ($39.95) that makes the cursor easier to see. A few laptops come with software and cables to exchange information with a deskbound PC. For those that do not, *LapLink III* (Traveling Software, $139.95) and *Brooklyn Bridge* (White Crane Systems, $139.95) work quickly and well. The software is installed on either machine, and a cable in the package links the two together.

On the other hand, some popular software programs will not run on all laptops. For instance, the latest version of Lotus Development Corporation's top-drawer spreadsheet, *Lotus 1-2-3 Release 3,* requires a computer with at least 1 megabyte of internal memory and a speedy 80286 microprocessor. Only expensive laptops come with these features.



Government Bans Most Baldness Treatments

WASHINGTON, July 7 — The Food and Drug Administration said today that it was banning the sale of nonprescription creams and lotions whose manufacturers assert would grow hair or prevent baldness. The agency said the products had not proved effective.

The agency said in The Federal Register that the ban applied to products available without a prescription that are used externally. These products are usually sold

barbers

The Food and Drug Administration also said there was no evidence that vitamins, food supplements or other products taken orally would retard baldness or grow hair. The agency said it would remove these products from the market if their distributors continue to make such claims.

Prescription Drug

The only

pany and sold under the name Rogaine.

The F.D.A. ban is based on a recommendation of an advisory panel that evaluated a number of ingredients, including lanolin, olive oil, wheat germ oil and vitamins. The panel found none of these prevented baldness or promoted hair growth.

NEW YORK TIMES

The good news is there's one product that's proven to grow hair...

Rogaine®

TOPICAL
SOLUTION
minoxidil 2%

Rogaine®
TOPICAL SOLUTION
minoxidil 2%
Upjohn

Rogaine is the *only* product that's ever been proven to grow hair. *Rogaine* is made by The Upjohn Company and its active ingredient is minoxidil. *Rogaine* has been available by a doctor's prescription since September of 1988 for male pattern baldness of the crown.

The one and only, according to the Food and Drug Administration (FDA).

You may have read in the news lately about other products that claim to grow hair or prevent hair loss.

A recent ruling by the FDA recognized that only *Rogaine* has been proven to be effective and safe for hair growth. Further, the FDA stated that the ingredients in all other products that say they grow hair or prevent hair loss are "ineffective." It recommended that "these products be eliminated from the... market."

***Rogaine* grows hair for a good percentage of men.**

Your doctor will help you determine how good a candidate you are for treatment with *Rogaine*. Each individual responds differently.

In medical tests conducted by doctors on men throughout the United States over a twelve-month period, it was proven that *Rogaine* grew hair: 39% had moderate to dense regrowth, 37% had minimal regrowth, 13% grew soft, downy, colorless hair that was barely visible, and 11% had no regrowth. (In these same medical tests, the men using *Rogaine* evaluated their moderate to dense regrowth at an even higher rate, 48%).

Few of the men in the tests reported side effects. The most common side effect of *Rogaine* was itching of the scalp, which occurred in 5% of the men.

Generally, it takes four months of use before there is evidence of regrowth.

Nearly two million men have started using *Rogaine*. Should you?

More and more doctors are confidently prescribing *Rogaine* for more and more men every day.

If the FDA ruling hasn't convinced you to try it, consider this fact: two million men have tried it already.

It just might work for you.

So call your doctor for an appointment. Or, for more information, a list of doctors near you, and a certificate worth $10 as an incentive to visit your doctor (sorry, this offer is available for men only), call the toll free number below.

1-800-253-7300, ext. 501.

For a summary of product information, see adjoining page.

© 1989 The Upjohn Company J 2098 August 1989 **Upjohn** The Upjohn Company on batteries, they can offer a brighter, more readable screen, or a heavy-duty hard drive. Toshiba's T3100e ($4,199) and Mitsubishi's MP286L-220 ($3,995), while designed for portability, are among those laptops that do not use batteries and must be plugged in. Peter Thorne, a Boston real-estate developer who has lugged his Toshiba T3100 throughout New England and out West, opted for the crisp screen and the hard drive over battery power. "You're too crammed in to really work on an airplane," he says.

Where are standards? Many laptop users will probably need their machines only while on the road and then will switch back to desktop computers in the office. This makes the ease of transferring data to the office PC a paramount consideration. The simplest approach, employed by many midpriced laptops, is to use the 3½-inch disks used by many desktop computers. With these machines, transferring data is simply a matter of taking the disk out and inserting it into your office machine.

But some laptops have no disk drives, or use nonstandard drives, to cut expense or weight. New machines dubbed "notebook" computers, such as Zenith's new 5.9-pound, $2,000 MinisPort, for example, use a nonstandard 2-inch minidiskette. Transferring information between the computer and a larger PC requires a cable available only as part of a $139 accessories kit or an external disk drive running $300 to $400. Another notebook, the 4.4-pound, $3,000 NEC UltraLite, stores information only on internal chips, so it too needs a cable. While a few relatively low-priced laptops like Toshiba's T1200H series and Tandy's 1400HD come with hard-disk drives that increase internal-storage capabilities, these hard disks add about a pound to the weight and several hundred dollars to the cost.

Typing on a laptop for the first time can be disconcerting. To scale down the size of the keyboard, laptop engineers often squeeze the keys closer together and eliminate "surplus" keys, such as a separate number keypad. Before you pick a laptop, a few minutes spent typing on various keyboards to see whether your fingers stumble would be worthwhile. A bright display, long-lived batteries and light weight add up to zero if entering information into a machine is frustrating. But for all the petty problems, most people need only one short sprint around the block with a laptop before concluding it is the one electronic marvel they can't imagine how they did without. ■

by Daniel P. Wiener in New York

The only product ever proven to grow hair.

Rogaine®
TOPICAL SOLUTION
minoxidil 2%

ROGAINE Topical Solution
(minoxidil 2%)

What is ROGAINE?

ROGAINE Topical Solution, discovered and made by The Upjohn Company, is a standardized topical (for use only on the skin) prescription medication proved effective for the long-term treatment of male pattern baldness of the crown.

ROGAINE is the only topical solution of minoxidil. Minoxidil in tablet form has been used since 1980 to lower blood pressure. The use of *minoxidil tablets* is limited to treatment of patients with severe high blood pressure. When a high enough dosage in tablet form is used to lower blood pressure, certain effects that merit your attention may occur. These effects appear to be dose related.

Persons who use ROGAINE Topical Solution have a low level of absorption of minoxidil, much lower than that of persons being treated with *minoxidil tablets* for high blood pressure. Therefore, the likelihood that a person using ROGAINE Topical Solution will develop the effects associated with *minoxidil tablets* is very small. In fact, none of these effects has been directly attributed to ROGAINE in clinical studies.

How soon can I expect results from using ROGAINE?

Studies have shown that the response to treatment with ROGAINE may vary widely.

Some men receiving ROGAINE may see faster results than others; others may respond with a slower rate of hair growth. You should not expect visible growth in less than four months.

If I respond to ROGAINE, what will the hair look like?

If you have very little hair and respond to treatment, your first hair growth may be soft, downy, colorless hair that is barely visible. After further treatment the new hair should be the same color and thickness as the other hair on your scalp. If you start with substantial hair, the new hair should be of the same color and thickness as the rest of your hair.

How long do I need to use ROGAINE?

ROGAINE is a treatment, not a cure. If you respond to treatment, you will need to continue using ROGAINE to maintain or increase hair growth. If you do not begin to show a response to treatment with ROGAINE after a reasonable period of time (at least four months or more), your doctor may advise you to discontinue using ROGAINE.

What happens if I stop using ROGAINE? Will I keep the new hair?

If you stop using ROGAINE, you will probably shed the new hair within a few months after stopping treatment.

What is the dosage of ROGAINE?

You should apply a 1 mL dose of ROGAINE two times a day, once in the morning and once at night, before bedtime. Each bottle should last about 30 days (one month). The applicators in each package of ROGAINE are designed to apply the correct amount of ROGAINE with each application. *Please refer to the Instructions for Use.*

What if I miss a dose or forget to use ROGAINE?

If you miss one or two daily applications of ROGAINE, you should restart your twice-daily application and return to your usual schedule. You should not attempt to make up for missed applications.

Can I use ROGAINE more than twice a day? Will it work faster?

No. Studies by The Upjohn Company have been carefully conducted to determine the correct amount of ROGAINE to use to obtain the most satisfactory results. More frequent applications or use of larger doses (more than one mL twice a day) have not been shown to speed up the process of hair growth and may increase the possibility of side effects.

What are the most common side effects reported in clinical studies with ROGAINE?

Studies of patients using ROGAINE have shown that the most common adverse effects directly attributable to ROGAINE Topical Solution were itching and other skin irritations of the treated area of the scalp. About 5% of patients had these complaints.

Other side effects, including light-headedness, dizziness, and headaches were reported by patients using ROGAINE or placebo (a similar solution without the active medication).

What are some of the side effects people have reported?

The frequency of side effects listed below was similar, except for dermatologic reactions, in the ROGAINE and placebo groups. *Respiratory* (bronchitis, upper respiratory infection, sinusitis); *Dermatologic* (irritant or allergic contact dermatitis, eczema, hypertrichosis, local erythema, pruritus, dry skin/scalp flaking, exacerbation of hair loss, alopecia); *Gastrointestinal* (diarrhea, nausea, vomiting); *Neurology* (headache, dizziness, faintness, light-headedness); *Musculoskeletal* (fractures, back pain, tendinitis); *Cardiovascular* (edema, chest pain, blood pressure increases/decreases, palpitation, pulse rate increases/decreases); *Allergy* (nonspecific allergic reactions, hives, allergic rhinitis, facial swelling and sensitivity); *Special Senses* (conjunctivitis, ear infections, vertigo, visual disturbances, including decreased visual acuity); *Metabolic-Nutritional* (edema, weight gain); *Urinary Tract* (urinary tract infections, renal calculi, urethritis); *Genital Tract* (prostatitis, epididymitis, sexual dysfunction); *Psychiatric* (anxiety, depression, fatigue); *Hematology* (lymphadenopathy, thrombocytopenia); *Endocrine*.

Individuals who are hypersensitive to minoxidil, propylene glycol, or ethanol must not use ROGAINE.

ROGAINE Topical Solution contains alcohol, which could cause burning or irritation of the eyes, mucous membranes, or sensitive skin areas. If ROGAINE accidentally gets into these areas, bathe the area with large amounts of cool tap water. Contact your doctor if irritation persists.

What are the possible side effects that could affect the heart and circulation when using ROGAINE?

Although serious side effects have not been attributed to ROGAINE in clinical studies, there is a possibility that they could occur because the active ingredient in ROGAINE Topical Solution is the same as in *minoxidil tablets*.

Minoxidil tablets are used to treat high blood pressure. *Minoxidil tablets* lower blood pressure by relaxing the arteries, an effect called vasodilation. Vasodilation leads to retention of fluid and increased heart rate. The following effects have occurred in some patients taking *minoxidil tablets* for high blood pressure:

Increased heart rate. Some patients have reported that their resting heart rate increased by more than 20 beats per minute; Rapid weight gain of more than 5 pounds or swelling (edema) of the face, hands, ankles, or stomach area; Difficulty in breathing, especially when lying down, a result of an increase in body fluids or fluid around the heart; Worsening of, or new onset of, angina pectoris.

When ROGAINE Topical Solution is used on normal skin, very little minoxidil is absorbed and the possible effects attributed to *minoxidil tablets* are not expected with the use of ROGAINE. If, however, you experience any of the possible side effects listed, discontinue use of ROGAINE and consult your doctor. Presumably, such effects would be most likely if greater absorption occurred, e.g., because ROGAINE was used on damaged or inflamed skin or in greater than recommended amounts.

In animal studies, minoxidil, in doses higher than would be obtained from topical use in people, has caused important heart structure damage. This kind of damage has not been seen in humans given *minoxidil tablets* for high blood pressure at effective doses.

What factors may increase the risk of serious side effects with ROGAINE?

Individuals with known or suspected underlying coronary artery disease or the presence of or predisposition to heart failure would be at particular risk if systemic effects (that is, increased heart rate or fluid retention) of minoxidil were to occur. Physicians, and patients with these kinds of underlying diseases, should be conscious of the potential risk of treatment if they choose to use ROGAINE.

ROGAINE should be applied only to the scalp and should not be used on other parts of the body, because absorption of minoxidil may be increased and the risk of side effects may become greater. You should not use ROGAINE if your scalp becomes irritated or is sunburned, and you should not use it along with other topical treatment medication on your scalp.

Can men with high blood pressure use ROGAINE?

Individuals with hypertension, including those under treatment with antihypertensive agents, can use ROGAINE but should be monitored closely by their doctor. Patients taking guanethidine for high blood pressure should not use ROGAINE.

Should any precautions be followed?

Individuals using ROGAINE should be monitored by their physician one month after starting ROGAINE and at least every six months afterward. Discontinue ROGAINE if systemic effects occur.

Do not use it in conjunction with other topical agents such as corticosteroids, retinoids and petrolatum or agents that enhance percutaneous absorption. ROGAINE is for topical use only. Each mL contains 20 mg minoxidil and accidental ingestion could cause adverse systemic effects.

No carcinogenicity was found with topical application. ROGAINE should not be used by pregnant women or by nursing mothers. The effects on labor and delivery are not known. Pediatric use: Safety and effectiveness has not been established under age 18.

Caution: Federal law prohibits dispensing without a prescription. You must see a doctor to receive a prescription.

Upjohn

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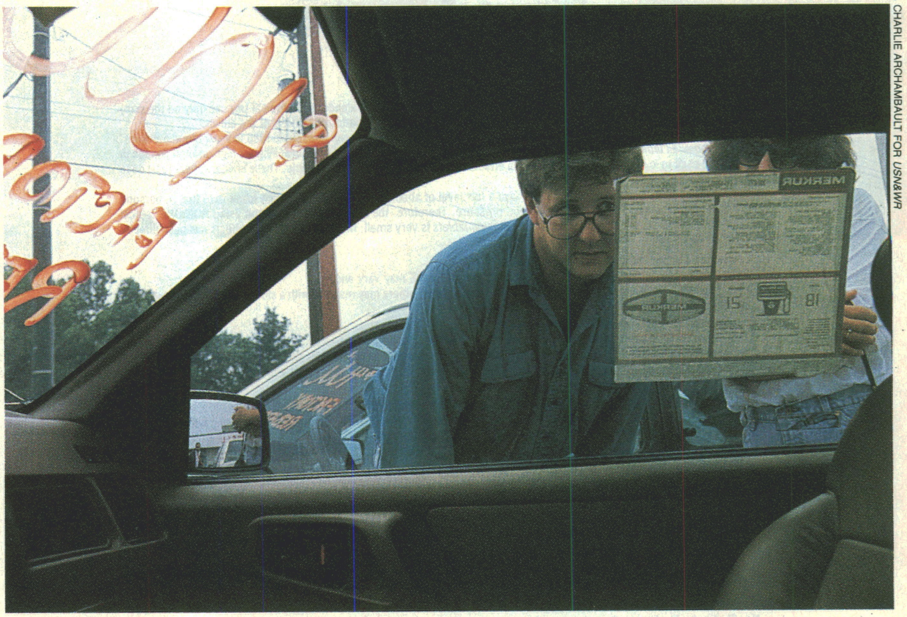
Driving a season's-end bargain

CARS ■ Auto makers are hot to get rid of their leftover 1989 models. But you need to give the lures a cool examination



CHARLIE ARCHAMBAULT FOR *USN&WR*

Bargain hunting. *Buy a Lincoln-Mercury Merkur XR4Ti, and get $4,000 back*

Besting a car dealer is tough, but rarely have your chances been better. With the 1990 models about to roll out and lots still clogged with some 2.5 million 1989s, dealers and manufacturers are reacting to the glut of '89 like garage-sale vendors late on Sunday afternoon. "0 percent factory financing!" shrieks one ad for Chrysler. "$4,000 rebates on select models!" counters a Lincoln-Mercury dealer. Car deals are nearly as plentiful as car makers. Picking the best of the lot requires only a calculator and a Nader-style refusal to be snowed.

Late summer and early fall traditionally have been good times to find bargains on current-year models, as dealers clear space for higher-priced new models to come. Many industry analysts say that the surplus of '89s is so pronounced that this fall should be better than most. Normally, a competent bargainer can count on talking the sticker price down by around 10 percent, shaving $1,500 off a $15,000 car. Over the next few months, just about anybody should be able to do that well or better, even before any rebate. Ford, General Motors and Chrysler are now hawking rebates on more than 150 of their 1989 models, and foreign competitors are working to keep pace. The givebacks range from $200 for a Volkswagen Fox, priced at about $7,000, to $4,000 for the slow-selling $19,000 Lincoln-Mercury Merkur XR4Ti.

Beating the markup. The bait on leftover 1989s is particularly attractive given that most 1990 models will be considerably more costly. Prices on next year's cars will rise 3 to 9 percent; increases on trucks and vans may be higher. The hitch to buying a 1989 auto so late in the season, of course, is that it will lose 20 to 25 percent of its value to depreciation just weeks after you drive it off the lot. A foreign car's value will drop by 10 to 15 percent. That means anyone expecting to trade in the car in under five years may be better off with a 1990 model. After five years, the difference between comparably equipped 1989 and 1990 models should be relatively small.

Buyers drawn by incentives to a 1989 will generally have to choose between a rebate or a low-rate loan. A low interest rate may reduce your monthly payments, but a rebate could save you more money. With a car manufacturer's 10.9 percent, five-year loan of $13,000, for example, your payments would be $260 a month, or $15,600 over the loan period. Payments on a going-rate, 13 percent bank or credit-union loan for the same amount would run $273, and would total an extra $780 over five years. Forgoing the lower rate and taking a $1,000 rebate would offset the extra interest and save $220 into the bargain.

The lower the interest rate, of course, the more likely that a loan beats a rebate. The Big Three are offering rates that range from 0 percent on certain Chryslers to 11.9 percent. But the lowest-rate loans are those with the shortest terms, which means steep monthly payments. Ford's 2.9 percent rate is available only on loans of up to 24 months, for example. Someone who borrowed $14,175 to buy a fully loaded $15,750 Ford Taurus LX would pay only $432 in interest over two years, but payments during the short payback period would run $608 a month.

Many foreign companies are offering factory-to-dealer rebates instead of cash rebates to customers. Dealers can pocket the refunds or pass them along through lower prices. Since the rebates often are advertised in newspapers, you can use that knowledge of the dealer's added flexibility at the bargaining table. A bit of strategic planning this season should help you negotiate the maze of remaining '89s and drive home with a deal. ■

REBATE BAIT

These 1989 leftovers currently carry the juiciest rebates—

Model	Rebate
Lincoln-Mercury Merkur XR4Ti	$4,000
Subaru XT	$3,000
Sterling 827SL, SLi, SL Limited Edition	$2,750
Chrysler Conquest	$2,000
Dodge Raider truck	$2,000
Dodge Ram 250, 350 pickup trucks	$2,000
Eagle Premier	$2,000
Lincoln-Mercury Merkur Scorpio	$2,000
Subaru sedans and 4-door GL10 wagon	$2,000
Volkswagen Vanagon GL camper	$2,000

Here are the rebates now offered on the country's best-selling cars—

Model	Rebate
1 Ford Escort	$1,000
2 Chevrolet Corsica/Beretta	$1,000/600
3 Ford Taurus	$1,000
4 Honda Accord	$350
5 Chevrolet Cavalier	$600
6 Ford Tempo	$1,000
7 Hyundai Excel	$500-1,000
8 Chevrolet Celebrity	$500
9 Nissan Sentra	$1,500-2,000
10 Oldsmobile Cutlass Ciera	$1,000

Note: Dodge Ram rebates exclude diesel trucks, Subaru sedan and GL10 rebates are not available everywhere, and the Honda Accord rebate is to the dealer.
USN&WR—Basic data: Auto manufacturers; Ward's Automotive Yearbook, 1989

by James Popkin with Rebecca Little

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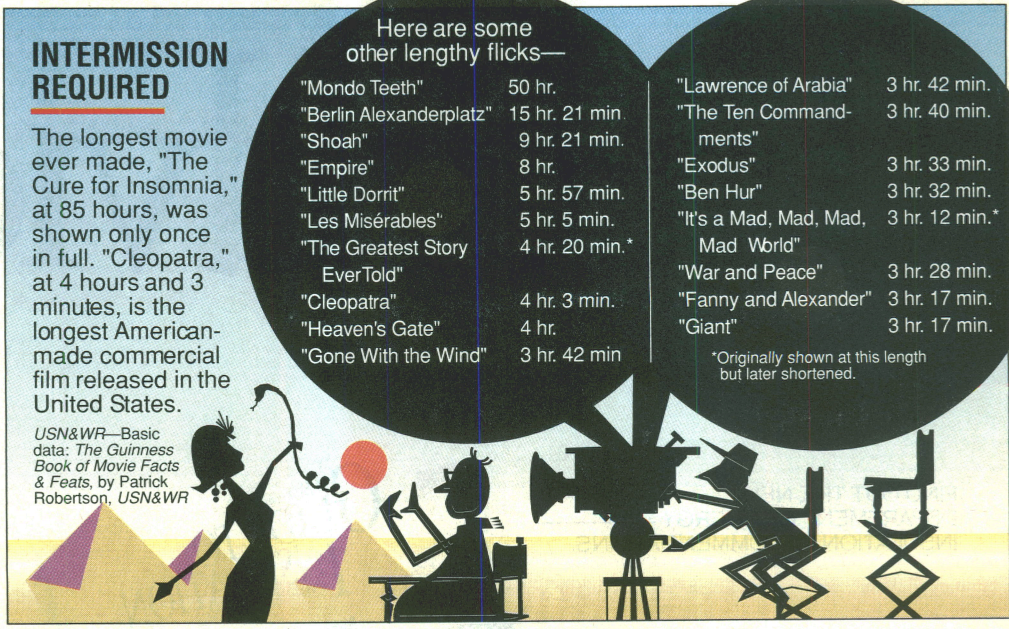
Still read all over

More people are waking up to morning newspapers, whose circulations grew 1.3 million from 1987 to 1988. The nation's afternoon dailies lost 1.5 million readers over the same period.

TV and radio have not pushed newspapers out of circulation just yet. Nearly two thirds of adults still read one newspaper a day.

	Daily newspapers	Total circulation
California	120	6.6 mil.
Texas	106	3.6 mil.
Pennsylvania	93	3.3 mil.
Ohio	87	2.8 mil.
Indiana	73	1.5 mil.
New York	71	7.7 mil.
Illinois	71	2.6 mil.
North Carolina	55	1.5 mil.
Michigan	52	2.5 mil.
Oklahoma	50	739,000
Florida	46	3.0 mil.
Missouri	46	1.3 mil.
Kansas	46	540,000
Massachusetts	44	2.1 mil.
Georgia	37	1.1 mil.
Iowa	37	732,000
Wisconsin	36	1.2 mil.
Virginia	35	2.5 mil.
Arkansas	32	542,000
Tennessee	28	968,000
Louisiana	28	793,000
Alabama	27	755,000
Washington	26	1.2 mil.
Colorado	26	961,000
Minnesota	25	940,000
Kentucky	24	659,000
New Jersey	23	1.7 mil.
Connecticut	23	865,000
West Virginia	23	438,000
Mississippi	23	404,000
Oregon	20	658,000
Arizona	19	736,000
Nebraska	19	469,000
New Mexico	19	311,000
South Carolina	17	647,000
Maryland	14	702,000
Idaho	12	204,000
South Dakota	12	172,000
Montana	11	186,000
North Dakota	10	187,000
Wyoming	10	95,000
Maine	9	291,000
New Hampshire	9	220,000
Nevada	8	272,000
Vermont	8	129,000
Alaska	8	126,000
Rhode Island	7	294,000
Utah	6	281,000
Hawaii	6	244,000
Delaware	3	142,000
Washington, D.C.	2	866,000
Total	**1,642**	**62.7 mil.**

Note: Figures are as of Feb. 1, 1989, for numbers of newspapers and as of Sept. 30, 1988, for circulation. *USN&WR*—Basic data: *Editor & Publisher International YearBook, 1989,* Simmons Market Research Bureau



INTERMISSION REQUIRED

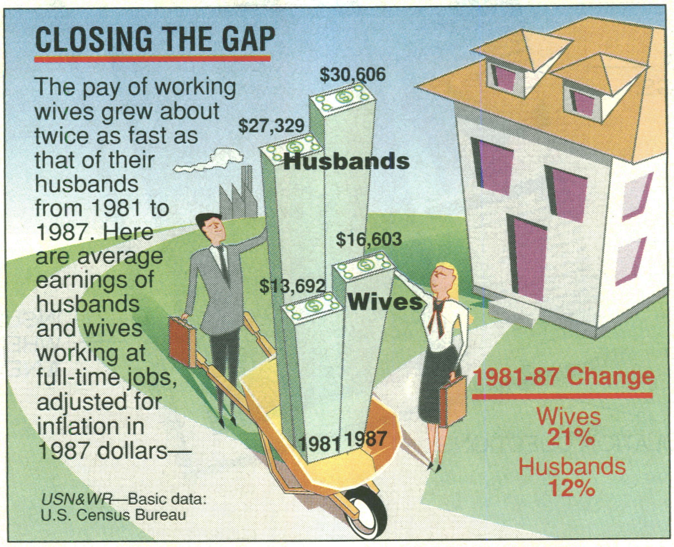
The longest movie ever made, "The Cure for Insomnia," at 85 hours, was shown only once in full. "Cleopatra," at 4 hours and 3 minutes, is the longest American-made commercial film released in the United States.

USN&WR—Basic data: *The Guinness Book of Movie Facts & Feats,* by Patrick Robertson, *USN&WR*

Here are some other lengthy flicks—

"Mondo Teeth"	50 hr.
"Berlin Alexanderplatz"	15 hr. 21 min.
"Shoah"	9 hr. 21 min.
"Empire"	8 hr.
"Little Dorrit"	5 hr. 57 min.
"Les Misérables"	5 hr. 5 min.
"The Greatest Story Ever Told"	4 hr. 20 min.*
"Cleopatra"	4 hr. 3 min.
"Heaven's Gate"	4 hr.
"Gone With the Wind"	3 hr. 42 min
"Lawrence of Arabia"	3 hr. 42 min.
"The Ten Commandments"	3 hr. 40 min.
"Exodus"	3 hr. 33 min.
"Ben Hur"	3 hr. 32 min.
"It's a Mad, Mad, Mad, Mad World"	3 hr. 12 min.*
"War and Peace"	3 hr. 28 min.
"Fanny and Alexander"	3 hr. 17 min.
"Giant"	3 hr. 17 min.

*Originally shown at this length but later shortened.



CLOSING THE GAP

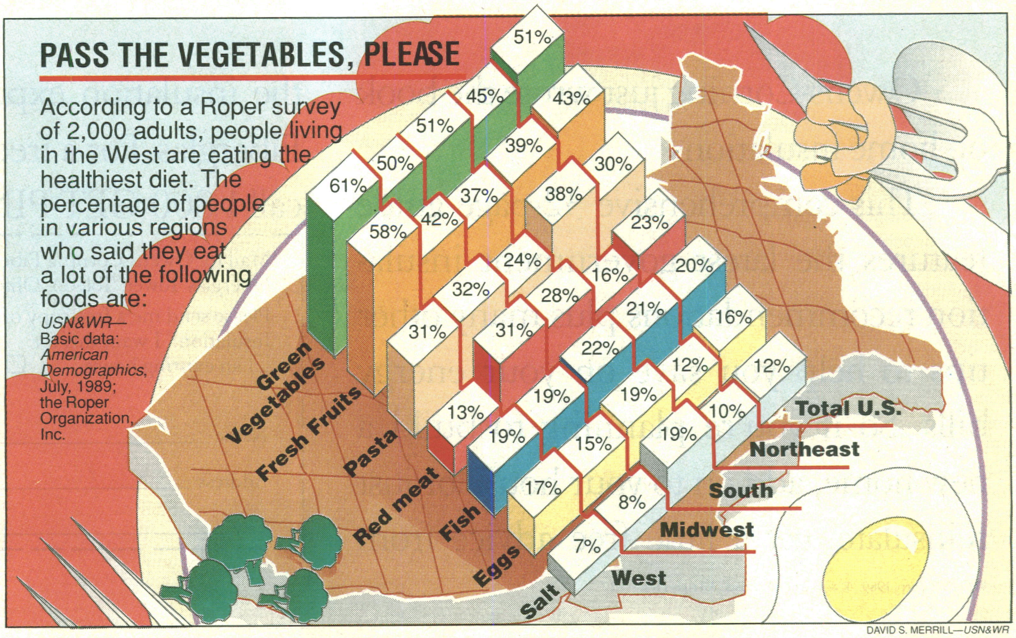
The pay of working wives grew about twice as fast as that of their husbands from 1981 to 1987. Here are average earnings of husbands and wives working at full-time jobs, adjusted for inflation in 1987 dollars—

USN&WR—Basic data: U.S. Census Bureau

Slow gains in the pay race

◀ A typical working wife would have had to hold down two jobs to make as much money as her husband in 1987, when wages of full-time working wives averaged 54 percent of their mates' pay. Women's earnings are now growing far faster than men's earnings are, but even at the current rate of acceleration, it will be at least 50 years before women make as much as their husbands do without working overtime.

Compiled by Jo Ann Tooley with Lynn Anderson Carle and Joannie M. Schrof



PASS THE VEGETABLES, PLEASE

According to a Roper survey of 2,000 adults, people living in the West are eating the healthiest diet. The percentage of people in various regions who said they eat a lot of the following foods are:

USN&WR—Basic data: *American Demographics,* July, 1989; the Roper Organization, Inc.

DAVID S. MERRILL—*USN&WR*

"I finally gave up."

—Jay Tittman
Danbury, CT

Jay Tittman didn't like the looks of his new long distance bill. There were a lot of questionable charges. So he called the company's customer service line for an explanation. He might have had better luck trying to call Mars.

At first, he had trouble getting through. The first human voice he heard was on a recording. Hours later, Mr. Tittman gave up. He hadn't spoken to a soul.

Epilogue: The funny thing is, Mr. Tittman left AT&T because he thought he could get the same service cheaper with another company. Customer service is what brought him back—to an AT&T with more helpful, courteous operators and customer service representatives than any long distance company anywhere. Welcome back, Mr. Tittman, and thank you for using AT&T.

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CHARGING YOUR PHONE CALLS TO VISA

It sounds like a real convenience: With MCI, you can now charge long-distance calls to your Visa card. You don't have to use MCI at home to qualify; you simply call the company at (800) 444-4444 and get a personal identification number. The surcharge for a call billed to Visa is 60 to 65 cents, however, compared with 55 cents for most calls put on an MCI calling card. And you will incur finance charges if the bill is not paid promptly.

You are probably better off to call AT&T at (800) 225-5288, Sprint at (800) 877-4000 or MCI at its number above for a free calling card. Rates for credit-card callers are roughly the same with all three. For people who find they have left their calling card at home, International Telecharge, Inc., a smaller carrier, lets you put calls on most major credit cards. The surcharge is about 75 cents, but the rates are often lower than those charged by AT&T, Sprint and MCI, since ITI does not maintain its own lines but leases lines from the others. Dial 10805, ITI's access code, then 0 and the number you're calling. The automatic system will ask for your credit-card number. If the system is busy, you'll bounce to an operator, and rates will be higher.

■ ANOTHER ROUND IN THE FARE FIGHT

The airlines are stepping up their battle for your business. For the next few months, travelers on major U.S. carriers can fly for about $160 less than the current lowest round-trip fares. On TWA, for example, the midweek round-trip coach fare from Boston to Los Angeles will drop from $368.50 to $198. The rates apply to domestic travel between September 9 and December 15 and to international travel on Pan Am and TWA from October 1 to May 21.

Most airlines are imposing the usual restrictions. Seats are limited, tickets must be purchased by September 1, you have to travel midweek and stay over a Saturday, and you forfeit a refund if you cancel, though you will be able to change your travel dates once. Thanksgiving travel is generally not included. Eastern, however, will let you travel any day, without a weekend stay; you can buy tickets, which are refundable, until October 31. Since the other airlines may match Eastern's program, check with your travel agent before making plans.

■ HAIR-DRYER DANGER

Last week, the Consumer Product Safety Commission (CPSC) recalled 250,000 hair dryers that, even in the off position, could electrocute a person sitting in or touching water should the dryers fall into the water while plugged in. The dryers, MBR Industries' Pomair Pro 2100 and 1900, Mustang Electronics' Mustang MU 2100 and Major International's Styling Dryer Model 1250, can be returned to the store where they were purchased or to the manufacturer for a refund or replacement.

These dryers lack an internal safety feature, required in dryers made since 1987, that prevents current from flowing through a switched-off dryer when it hits water. At least 80 million dryers made before 1987 by all manufacturers are still in use and should be handled carefully, says Carl Blechschmidt, a program manager at the CPSC. In fact, it's best to keep small appliances used in the bathroom or kitchen unplugged when not in use. The commission suggests putting Ground Fault Circuit Interrupters (GFCI), available in hardware stores for $10 to $20, into bathroom and kitchen outlets. You plug the appliance into the device, which cuts the current if the appliance falls into water. Many houses with circuit breakers have GFCI built in. You can check by looking for a "press to test" button on one or more breakers.

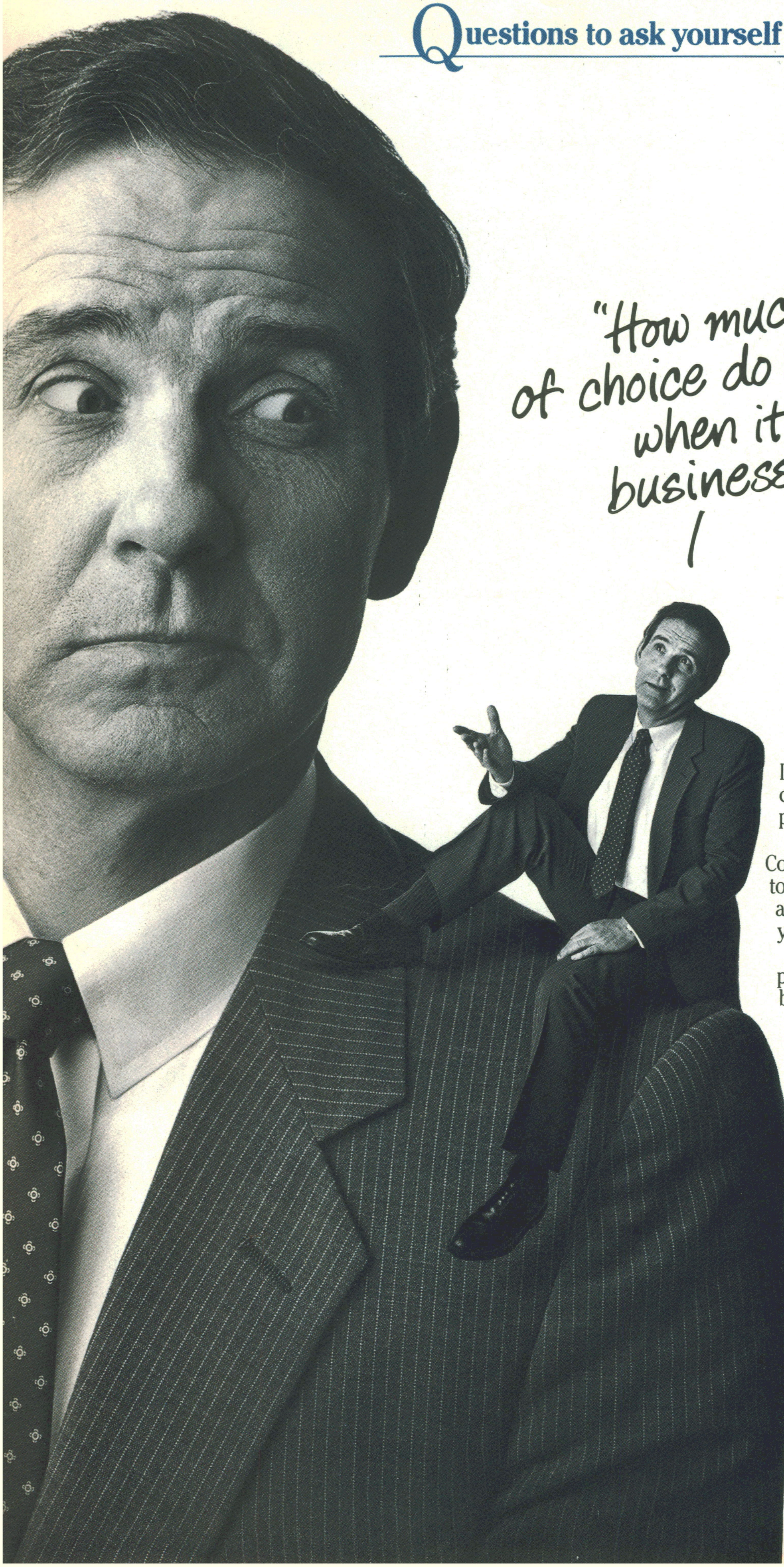
■ ENDNOTES

- Taxpayers have some new protections this year, such as tougher rules about what the Internal Revenue Service can and cannot do to collect back taxes. An IRS pamphlet, "Your Rights as a Taxpayer," is available free by calling the IRS at (800) 424-3676 and asking for Publication No. 1.
- The computer discount store closest to you may not be the one with the best bargains. It may pay to check "Softwhere? Bargains Report," a service offering weekly updates of where to find popular programs for the lowest prices. People with personal computers who subscribe to the Dialog or Delphi databases can call up the reports for $2 each. "Bargains Report" is also available by mail for $19 a copy from Softwhere?, P.O. Box 3336, Yuba City, Calif. 95992.

by Francesca Lunzer Kritz

Questions to ask yourself about business insurance:

"How much freedom of choice do you really have when it comes to business insurance?"



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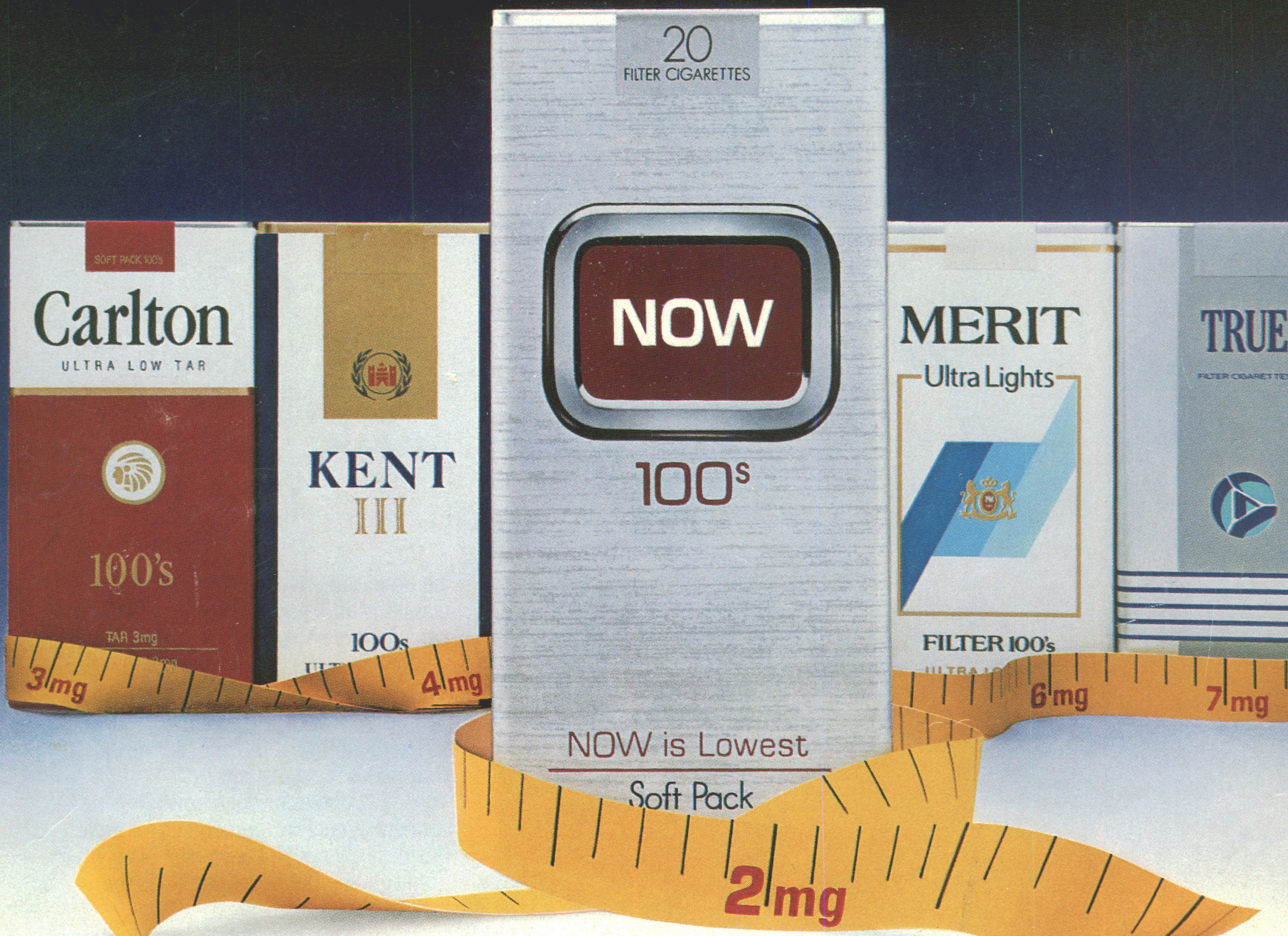
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YEAR MAKE MODEL

2. When do you plan to purchase your next new vehicle?

1 ☐ Within 3 months
2 ☐ 4-6 months
3 ☐ 7-12 months
4 ☐ 1-2 years
5 ☐ No plans in next 2 years

3. Your next purchase will most likely be:

1 ☐ New 2 ☐ Used

4. Which manufacturers will you consider for your next new vehicle?

	Definitely Consider 1	Probably Consider 2	Probably Not Consider 3	Definitely Not Consider 4
Ford	☐	☐	☐	☐
Chrysler	☐	☐	☐	☐
GM	☐	☐	☐	☐
European	☐	☐	☐	☐
Japanese	☐	☐	☐	☐

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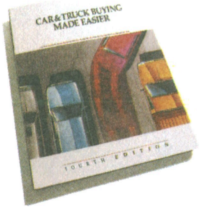

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